


**REFERENCE RELATING TO THE COMPLETED MERGER BETWEEN DEANS
FOOD GROUP LIMITED AND CLIFFORD KENT HOLDINGS LIMITED
THROUGH NOBLE FOODS LIMITED**

**Notice of proposal to accept undertakings pursuant to section 82 of and
Schedule 10 to the Enterprise Act 2002 and public consultation on the
proposed undertakings**

1. On 13 September 2006 the Office of Fair Trading (the OFT) referred the completed merger between Deans Food Group Limited (Deans) and Clifford Kent Holdings Limited (Clifford Kent) (parent company of Stonegate Farmers Limited (Stonegate)) through Noble Foods Limited (Noble) (the merger) to the Competition Commission (CC) for investigation and report under section 22 of the Enterprise Act 2002 (the Act).
2. In its report, *Clifford Kent Holdings Limited and Deans Food Group Limited: A report on the completed merger of Clifford Kent Holdings Limited, parent company of Stonegate Farmers Limited and Deans Food Group Limited*, dated 20 April 2007 (the Report) the CC concluded that:
 - (a) the merger between Deans and Stonegate was the creation of a relevant merger situation;
 - (b) the creation of that relevant merger situation may be expected to result in a substantial lessening of competition within the market(s) for the supply of cage and barn eggs, of free range eggs and of organic shell eggs to retailers in Great Britain and in the procurement of shell eggs from producers (the SLC). This may in turn be expected to result in the adverse effects of producers receiving less favourable terms (including price), the reduction in the quantity of eggs produced, higher prices being faced by retailers and ultimately by the final consumers of shell eggs (the adverse effects);
 - (c) the CC should take action to remedy the SLC and the adverse effects flowing from it; and
 - (d) undertakings should be required to be given to the CC by Noble on behalf of itself and its subsidiaries, Mr Peter Dean and Mr Michael Kent to give effect to the remedies identified by the CC in paragraphs 8.41 to 8.44, 8.50, 8.77 and 8.78 of the Report.
3. The CC has now reached agreement with Noble as to the terms of such undertakings to remedy the SLC, and the undertakings are annexed to this notice.
4. The CC now gives notice of the undertakings and invites written representations on them from any person or persons who wish to comment. Representations should reach the CC by Wednesday 12 September 2007 and should be addressed to: David Peel, Inquiry Secretary: Deans/Stonegate merger, Competition Commission, Victoria House, Southampton Row, London WC1B 4AD or by email to david.peel@cc.gsi.gov.uk. We may publish non-confidential versions of the representations on the CC website.
5. In the absence of any written representations, the CC proposes to accept the undertakings in their present form. If the CC considers that any such representation necessitates changes to the undertakings, the CC will give notice of the proposed modification.

6. Undertakings accepted by the CC may be varied, superseded or released by the CC in accordance with section 82(2) of the Enterprise Act 2002.



Barbara Mills
Chairman Stonegate/Deans Inquiry Group
Competition Commission
28 August 2007