News story: CMA consults over gyms merger undertakings

The CMA is consulting on proposals by David Lloyd to resolve concerns over its proposed acquisition of Virgin Active gyms in Brighton and Brentwood.

Earlier this month, the Competition and Markets Authority (CMA) <u>found</u> <u>competition concerns in these 2 locations</u> because the companies' gyms are situated close to each other and would face limited competition from other operators after the acquisition.

The CMA was concerned that the acquisition could have resulted in higher prices or a worse deal for gym users. David Lloyd has now proposed not to acquire these gyms, which will instead remain under Virgin Active ownership.

David Lloyd was originally proposing to buy 16 Virgin Active gyms in total. The CMA has found no competition concerns in the other areas affected.

The CMA believes these proposals will address the concerns identified and has provisionally accepted them. It is now consulting formally on whether they are sufficient to address its competition concerns before reaching a final decision. Interested parties are invited to submit their responses by 10 June 2017.

The consultation on the undertakings and all other information relating to this merger investigation can be found on the <u>case page</u>.