

[News story: Sainsbury's / ASDA proposed merger](#)

This merger is likely to be subject to review by the Competition and Markets Authority (CMA).

In major mergers, it is typical for the companies to engage in 'pre-notification' discussions with the CMA to ensure they are supplying the information it will require before a formal investigation can begin. These discussions can last for a number of weeks. Once the CMA's formal investigation begins, an initial, 'Phase 1' review then runs for up to 40 working days.

During a Phase 1 review, the CMA would assess whether the deal could reduce competition and choice for shoppers. After this first phase, the merger could be cleared or, if a potential reduction in competition is identified, it would be referred for an in-depth, Phase 2 investigation lasting up to 24 weeks – unless the merging parties offered immediate proposals to address any competition concerns identified.

Companies can also request to 'fast track' the referral of merger cases to Phase 2.

A Phase 2 investigation can result in a merger being cleared, prohibited, or allowed to proceed subject to 'remedies' such as the sale of parts of one or both businesses.

More information on the CMA's approach to mergers can be found [here](#).