Bake-at-home dough merger raises competition concerns

Press release

The CMA has found that Cérélia's purchase of the Jus-Rol business could lead to higher prices and lower quality products for shoppers in the UK.



Cérélia is the largest manufacturer of bake-at-home dough products in the UK, producing private label (own brand) products on behalf of some of the largest grocery retailers in the UK. Jus-Rol is the best-selling brand in the bake-at-home dough category and faces few branded rivals.

Some of Jus-Rol's popular products include puff and shortcrust pastry dough, pizza dough and pain au chocolat dough.

Together, the businesses are the 2 leading suppliers of bake-at-home products to supermarkets and other grocery retailers and account for over two-thirds of sales of such products to shoppers in the UK. The Competition and Market Authority's (CMA) investigation has found that, prior to the merger, Jus-Rol's branded products competed against private label products supplied by Cérélia for space on supermarket shelves.

Following the deal, Cérélia would produce and sell both the Jus-Rol products and private label products, leaving retailers with fewer alternatives. The CMA is therefore concerned that the loss of the Jus-Rol business as an independent player could lead to increased prices to grocery retailers — and ultimately consumers — and lower quality products.

Sorcha O'Carroll, Senior Director of Mergers said:

Millions of people across the UK regularly use bake-at-home dough products, whether to rustle up a mid-week pizza for dinner or to make breakfast pastries for their families on the weekend.

Consumers should know they're getting value for money and not overpaying for their grocery products, especially as the current

cost-of-living crisis stretches people's budget even further. That's why we won't hesitate to refer this investigation further if our concerns aren't addressed.

Cérélia now has 5 working days to submit proposals to address the CMA's concerns. If suitable proposals are not submitted, the CMA will progress to an in-depth Phase 2 investigation.

For more information, visit the <u>Cérélia / Jus-Rol merger inquiry</u> page.

- 1. All media enquiries should be directed to the CMA press office by email on press@cma.gov.uk, or by phone on 020 3738 6460.
- 2. Cérélia refers to Cérélia Group Holding SAS (either directly or through entities under its common ownership or common control or over which it exerts material influence within the meaning of section 26 of the Enterprise Act 2002 (the Act).
- 3. The CMA believes that the merger gives rise to a realistic prospect of a substantial lessening of competition as a result of horizontal unilateral effects in the wholesale supply of bake-at-home dough products to grocery retailers in the UK.
- 4. Under the Act the CMA has a duty to make a reference to Phase 2 if the CMA believes that it is or may be the case that a relevant merger situation has been created, or arrangements are in progress or contemplation which, if carried into effect, will result in the creation of a relevant merger situation; and the creation of that situation has resulted, or may be expected to result, in a substantial lessening of competition within any market or markets in the United Kingdom for goods or services.

Published 30 May 2022

<u>More than 900 public buildings in</u> <u>Northern Ireland get broadband boost</u>

- Government funds 'gigabit-capable' broadband connections for vital public services to deliver more for communities
- Will help 240 GP surgeries, 148 community centres and 90 council offices to deliver better quality services
- Comes as Northern Ireland hits 85% gigabit coverage due in part to £172m UK Government boost for Project Stratum

Vital local services including hospitals, community centres and fire stations across Northern Ireland can access internet speeds at least ten times faster than their old mostly copper-based connections thanks to more than £25

million of UK Government investment.

More than 900 public buildings have been connected to high-speed 'gigabit broadband' as part of two UK-Government-funded schemes to level up public services. This includes 240 GP surgeries, 148 community centres, 90 council offices, 79 recycling centres, 69 fire stations and 63 leisure centres.

All these buildings now have greatly improved and ultra-reliable connections installed to help improve the productivity and user experience of the public services they offer. As their requirements increase in the future, internet users in the buildings will be able to tap into speeds of more than a gigabit (1,000 megabits) per second.

It means doctors and fire safety officers can save time waiting for large files such as x-rays and CCTV footage to download, community centres can make greater use of online resources to provide services like digital skills training and virtual classes and training for those who can't attend in person, and council offices will be able to improve their internal digital systems to deliver more for taxpayers.

The connections, which were mostly delivered through the Full Fibre Northern Ireland Project, will incentivise commercial broadband providers to deliver upgrades to surrounding homes and businesses in Northern Ireland by building off the government-funded fibre network, which is cheaper and quicker than having to build their own from scratch.

Digital Secretary Nadine Dorries said:

"Fast and reliable broadband is vital to households, businesses and the public services we rely on every day. That's why, on top of our transformative £5 billion Project Gigabit investment to improve rural connectivity, we have upgraded thousands of schools, libraries and hospitals across the UK to first class broadband fit for the future."

Secretary of State for Northern Ireland Brandon Lewis said:

- "This fantastic investment to boost broadband speed in hundreds of public buildings across Northern Ireland will make a real difference to local people, facilitating high speed access at key local government, health and recreational services to enable them to better serve their communities.
- "Combined with the £172 million investment from Project Stratum, this investment of over £25 million will truly strengthen connectivity in Northern Ireland and is a wonderful example of the UK Government's commitment to levelling up across the UK."

The investment is just one way the UK government is delivering on its plan to level up Northern Ireland with better connectivity. Thanks to its £172 million investment in Project Stratum and measures to bust barriers to commercial roll out, 85 percent of premises in Northern Ireland now have access to the fastest available gigabit connections — more than any other UK nation — which will improve lives, boost the economy and sustain the digital and tech economy for decades to come.

Our Project Gigabit programme will also connect countryside communities across Northern Ireland. This is the government's flagship £5 billion programme to connect communities unlikely to be connected by commercial rollout.

An update <u>published</u> today confirms there are now <u>not</u>contracts worth £543 million in total for telecoms firms to bid across the UK for and this is expected to connect up to 380,000 hard-to-reach homes and businesses with the first contracts awarded from August this year. Discussions on the procurement approach under Project Gigabit for Northern Ireland are ongoing and more details will be announced in due course.

It comes as the Local Full Fibre Networks programme comes to a close having delivered more than 5,000 broadband upgrades to public buildings across the whole UK. The programme has delivered 2,700 kilometres of lightning-fast full fibre — including in Northern Ireland — to more than 1,200 schools and colleges, 50 hospitals, 650 health centres including GP surgeries and 200 fire and ambulance stations, as well as almost 350 libraries.

Chairman of Newry, Mourne and Down District Council, Cllr Michael Rice said:

- "FFNI is a Consortium and a programme made up of the 10 rural local authorities, the Business Service Organisation and is led by Newry, Mourne and Down District Council.
- "The Consortium was successful in its bid for DCMS funding in 2018 and has now successfully delivered 887 connections to public sector sites right across the North of Ireland. FFNI is essentially an Economic Development and Regeneration project and this multi-million-pound investment will assist those at risk of digital exclusion, create local jobs and allow public sector partners to offer more digital services to businesses and residents.
- "The collaboration between public-sector bodies through FFNI has played a key role in supporting digital ambitions which will empower our local communities and businesses to bounce back from the pandemic."

ENDS

Notes to Editors

The UK Government funding for these buildings was spread across two projects:

- The Full Fibre Northern Ireland Project has provided connections to 844 public sector buildings (206 funded by the Rural Gigabit Connectivity scheme and 672 by the Local Full Fibre Networks programme). The UK Government provided £23m for this project.
- The Armagh, Banbridge and Craigavon (ABC) Council Local Full Fibre Network project has provided full-fibre connections to a further 66 public sector sites thanks to a confirmed £2.6 million of UK Government funding.

Rural areas in Cornwall set for £36 million broadband boost

- 19,000 rural homes and businesses in line for a speedy connection via government's Project Gigabit scheme
- Comes as it is revealed more than 100 schools, GP surgeries, community centres and other public buildings across South West city of Plymouth have been plugged into lightning-fast broadband

Thousands of people in rural parts of Cornwall are a step closer to getting lightning-fast broadband under the government's historic £5 billion Project Gigabit.

Broadband companies have been invited to bid for £36 million worth of contracts to bring fast connections to 19,000 homes and businesses in many of the hard-to-reach areas of Cornwall. Work will commence on getting the infrastructure rolled out across the region — including rural communities in Land's End and the Lizard Peninsula — from October this year.

Project Gigabit is the biggest government-funded broadband roll out ever seen in the UK and is focused on connecting hard-to-reach communities unlikely to be connected through commercial rollout.

In a further broadband boost for the South West, the government announced dozens of public buildings in Plymouth — including doctor's surgeries, schools and libraries — have been connected to high-speed broadband thanks to a £164 million government scheme to level up public services, which has connected more than 5,000 buildings across the UK.

The 123 upgrades will drive up productivity in public services, create better experiences for people who use them and encourage broadband companies to easily extend the network to thousands of surrounding homes and businesses which will boost the government's national mission to grow the economy and create new jobs.

It means doctors and police officers will save time waiting for large files such as x-rays and CCTV footage to download, teachers can make better use of digital technologies to bring their lessons to life and care home residents can get better access to online services for improving health and wellbeing.

Digital Secretary Nadine Dorries said:

"Fast and reliable broadband is vital to households, businesses and the public services we rely on every day. That's why, on top of our transformative £5 billion Project Gigabit investment to improve rural connectivity, we have upgraded thousands of schools, libraries and hospitals across the UK to first class broadband fit for the future."

Many areas in Cornwall are already plugged into top quality connectivity thanks to government investment. 95 percent of premises can access superfast speeds — more than enough to cover most people's connectivity needs today — which is thanks in part to government investment in the region and measures to bust barriers holding back roll out.

On top of the new procurements launched, today's progress update on Project Gigabit reveals that over 100,000 vouchers worth more than £185 million have now been issued to ensure rural areas can access the same lightning-fast broadband available in more urban areas. More than 1,000 premises across hard-to-reach areas in Cornwall are in line for connections thanks to £2.3 million funding through this scheme, and 380 have already been connected.

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Notes to editors

Local Full Fibre Networks (LFFN) programme

The move to connect public buildings is part of the Local Full Fibre Networks (LFFN) programme which was launched five years ago to subsidise the cost of full fibre broadband connections in publicly-owned buildings.

It has delivered 2,700 kilometres of lightning-fast full fibre across the UK — more than five times the distance between London and Edinburgh — which includes upgrades to:

- 1,262 schools and colleges
- 348 libraries
- 53 hospitals
- 658 health centres including GP surgeries
- 627 council-owned offices
- 222 community centres
- 155 leisure centres
- 201 fire and ambulance stations.

Full fibre connections provide speeds in excess of 1,000 megabits per second which will give vital public services the speed and reliability needed to operate at their full potential for decades to come.

The upgrades are in locations in many different parts of the UK.

Project Gigabit

Project Gigabit is the government's flagship £5 billion programme to connect hard-to-reach communities unlikely to be connected through commercial rollout, meaning families no longer having to battle over bandwidth and people in rural areas can have the freedom to live and work more flexibly, helping businesses to grow and vital public services to thrive..

On top of the new procurements launched, today's progress update on Project Gigabit reveals that over 100,000 vouchers worth more than £185 million have now been issued to ensure rural areas can access the same lightning-fast

broadband available in more urban areas.

The faster connections delivered by the scheme have been levelling up rural communities across the UK: enabling businesses to grow by using digital technology to boost their productivity and giving people living in more remote areas better access to good jobs.

The Gigabit Broadband Voucher Scheme (GBVS) is an initiative under Project Gigabit offering rural homes and businesses up to £1,500 or £3,500 towards the cost of a gigabit-capable broadband connection. The value can be much higher in many areas thanks to top-up funding from local authorities.

Levelling up push sees more than 5,000 public buildings plugged into high-speed broadband

- 1,200 schools, 340 libraries and 50 hospitals across UK among those connected to 'gigabit' speed broadband
- Will boost speeds for thousands of nearby homes and businesses by enabling broadband firms to easily extend the network
- Project Gigabit contracts worth more than £500 million open for bids to upgrade up to 380,000 rural premises

More than 5,000 public buildings — including schools, hospitals and libraries — have been connected to high-speed broadband thanks to a UK Government scheme to level up public services.

The upgrades, made possible by a £164 million UK government investment, will drive up productivity in public services, create better experiences for people who use them and encourage broadband companies to easily extend the network to thousands of surrounding homes and businesses which will boost the government's national mission to grow the economy and create new jobs.

Other vital local services — including leisure centres, tourist destinations and youth centres — across the UK can now access internet speeds at least ten times faster than their old mostly copper-based connections.

It means doctors and police officers will save time waiting for large files such as x-rays and CCTV footage to download, teachers can make better use of digital technologies to bring their lessons to life and care home residents can get better access to online services for improving health and wellbeing.

The news comes as the government calls on broadband companies to submit bids to connect approximately 190,000 hard-to-reach premises in Norfolk, Suffolk and Cornwall as part of Project Gigabit — the biggest government-funded

broadband roll out ever seen in the UK — with work set to kick off in these regions from January 2023.

The future-proof connections delivered by Project Gigabit will fire up the economy by injecting a £60 billion boost to productivity.

An update <u>published</u> today confirms there are now <u>not</u> contracts worth £543 million in total for telecoms firms to bid for and this is expected to connect up to 380,000 hard-to-reach homes and businesses with the first contracts awarded from August this year. More gigabit contracts will be released throughout the coming months, with Devon, Somerset, West and North Yorkshire all set to launch over the next year.

Digital Secretary Nadine Dorries said:

"Fast and reliable broadband is vital to households, businesses and the public services we rely on every day. That's why, on top of our transformative £5 billion Project Gigabit investment to improve rural connectivity, we have upgraded thousands of schools, libraries and hospitals across the UK to first class broadband fit for the future."

Local Full Fibre Networks (LFFN) programme

The move to connect public buildings is part of the Local Full Fibre Networks (LFFN) programme which was launched five years ago to subsidise the cost of full fibre broadband connections in publicly-owned buildings.

It has delivered 2,700 kilometres of lightning-fast full fibre — more than five times the distance between London and Edinburgh — which includes upgrades to:

- 1,262 schools and colleges
- 348 libraries
- 53 hospitals
- 658 health centres including GP surgeries
- 627 council-owned offices
- 222 community centres
- 155 leisure centres
- 201 fire and ambulance stations.

Full fibre connections provide speeds in excess of 1,000 megabits per second which will give vital public services the speed and reliability needed to operate at their full potential for decades to come.

The upgrades are spread right across the UK.

In England this includes 742 public buildings in Greater Manchester, 328 in North Yorkshire and 309 in Norfolk. More than 500 public buildings in Wales and 350 in Scotland have been connected. This includes libraries, care homes and youth centres in North Wales and schools, health centres, fire stations across Shetland, the Highlands, Angus and Perth & Kinross in Scotland.

The UK Government has also invested £133 million in Scotland to connect more

than 740,000 homes and businesses to superfast speeds — which are in excess of 30 megabits per second and more than enough to handle most people's connectivity needs today — and £69 million to roll out superfast broadband to more than 740,000 homes and businesses in Wales, of which at least 110,000 will get gigabit upgrades.

Government-funded projects in Northern Ireland, backed by more than £25 million UK Government investment, have delivered connections to more than 900 buildings. This includes 240 GP surgeries, 148 community centres, 90 council offices, 79 recycling centres, 69 fire stations and 63 leisure centres. It comes as gigabit-capable coverage in Northern Ireland hit 85 per cent which is the highest of all four UK nations.

Project Gigabit

Project Gigabit is the government's flagship £5 billion programme to connect hard-to-reach communities unlikely to be connected through commercial rollout, meaning families no longer having to battle over bandwidth and people in rural areas can have the freedom to live and work more flexibly, helping businesses to grow and vital public services to thrive.

On top of the new procurements launched, today's progress update on Project Gigabit reveals that over 100,000 vouchers worth more than £185 million have now been issued to ensure rural areas can access the same lightning-fast broadband available in more urban areas.

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The Gigabit Broadband Voucher Scheme (GBVS) is an initiative under Project Gigabit offering rural homes and businesses up to £1,500 or £3,500 towards the cost of a gigabit-capable broadband connection. The value can be much higher in many areas thanks to top-up funding from local authorities, including in Cumbria which recently announced a £2 million boost to the scheme meaning businesses can apply for up to £7,000 and homes up to £3,000 to pay for lightning-fast gigabit connections.

ENDS

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The UK Government funding for the government-funded projects in Northern Ireland was spread across two projects:

- The Full Fibre Northern Ireland Project has provided connections to 844 public sector buildings (206 funded by the Rural Gigabit Connectivity scheme and 672 by the Local Full Fibre Networks programme). The UK Government provided £23m for this project.
- The Armagh, Banbridge and Craigavon (ABC) Council Local Full Fibre Network project has provided full-fibre connections to a further 66 public sector sites thanks to a confirmed £2.6million of UK Government

COP President continues push for meaningful climate action ahead of COP27

- COP President Alok Sharma in Sweden this week to take part in Ministerial on Climate Action and Stockholm +50 climate event
- Mr Sharma to push forward on the outcomes from the May Ministerial on Implementation on mitigation, adaptation, loss and damage and finance for climate action
- Delivering the commitments made at the COP26 World Leaders Summit on Forests and Land Use will be focus of side event led by UK ahead of Stockholm +50

COP26 President Alok Sharma will take part in two key climate events in Sweden this week to continue the drive for countries to turn pledges made in the Glasgow Climate Pact into action ahead of COP27 in Egypt.

Tomorrow, (Tuesday 31 May) Mr Sharma will speak in Stockholm at the Ministerial on Climate Action (MOCA), co-hosted by Canada, the EU and China, which is focussed on the implementation of the Paris Agreement.

Mr Sharma will then take part in Stockholm +50, which is organised by the United Nations General Assembly to commemorate 50 years since the 1972 United Nations Conference on the Human Environment, and meet ministers at related side-events.

At MOCA, the COP President will reflect on the achievements made at COP26, which kept the goal of global temperatures from rising more than 1.5 degrees alive, while cementing progress on finance for climate action, adaptation and loss and damage. Mr Sharma will also discuss the outcomes from the May Ministerial on Implementation, co-hosted by Egypt and the UK in Copenhagen two weeks ago, which renewed political focus on the necessity of delivering on the Glasgow Climate Pact, and the clear steps that must be taken to achieve this.

Mr Sharma will echo the May Ministerial's consensus that countries should revisit their 2030 emissions reductions targets before COP27 and strengthen them with workable plans if they do not align with the temperature goals set out in the Paris Agreement.

He will outline the need for scaling up and providing timely access to finance for countries working to adapt to the effects of climate change, as well as delivering on scaling up resources for loss and damage, and ensuring that finance is flowing to climate action.

Mr. Sharma will also meet with a delegation of parents from around the world to talk about the impacts of burning fossil fuels on children's health. This follows a meeting between the COP President and a group of mothers at COP26 in Glasgow, where they <u>presented a letter</u> on behalf of nearly 500 parents' organisations — representing millions of members from 44 countries — calling for an end to new fossil fuels. The parents attending the meeting with Mr. Sharma are from the UK, India, Poland, Sweden and Colombia.

Speaking ahead of his visit to Sweden COP26 President Alok Sharma said:

At COP26, countries seized the opportunity to act. We showed leadership, worked together and embraced progress to agree the historic Glasgow Climate Pact.

Six months on from COP26, the world has changed. These events in Sweden are taking place against the backdrop of Putin's brutal and illegal invasion of Ukraine. Inflation, debt, and food insecurity are growing challenges. Many across the world are still recovering from the effects of the pandemic.

So once again, we have must demonstrate that these threats have increased, not diminished, our determination to deliver on the Pact. Let us now pick up the pace on delivering a net zero, climate-resilient transition ahead of COP27.

We must accelerate progress on phasing down coal and ending inefficient fossil fuel subsidies, on our NDCs, finance, adaptation, and loss and damage. We must turn the promises and commitments of the Glasgow Climate Pact into action.

The COP President will chair a ministerial meeting on climate, forests and land use in the margins of Stockholm +50 on Wednesday, focusing on delivering the commitments made at the COP26 World Leaders Summit on Forests and Land Use, including the Glasgow Leaders' Declaration on Forests and Land Use. This declaration was endorsed by 143 countries at COP26, and if delivered upon will provide 10% of the emissions reduction needed by 2030 to keep 1.5C alive. Minister for the Pacific and the International Environment Lord Goldsmith will be the Minister representing the UK at the meeting.

Increasing the scale and pace of delivery of adaptation finance and accelerating action on the ground will be the focus of the second Stockholm +50 side event Mr Sharma will be taking part in. Ministers at the "Fast-tracking resilience building and adaptation" event are expected to emphasise that developed countries must deliver on the commitment to double the levels of finance for adaptation to the effects of climate change by 2025, as well as improving the quality of and access to adaptation finance.

Background:

• In the first jointly led event by the UK and Egypt as COP26 and COP27 Presidencies, the May Ministerial Meeting on Implementation took stock of action and implementation across key elements of the Glasgow Climate Pact signed at COP26, the Paris Agreement and other international climate agreements and decisions.