



**BEFORE THE  
COMPETITION COMMISSION OF PAKISTAN**

**FIRST PHASE REVIEW**

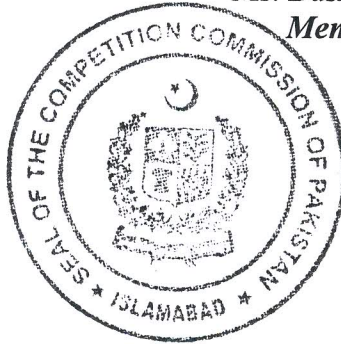
**IN THE MATTER OF MERGER OF M/S. BOUNTIFUL COMPANY AND INTO M/S.  
NESTLÉ S.A.**

**CASE: 1179/Merger-CCP/21**

Commission

Ms. Shaista Bano  
*Member*

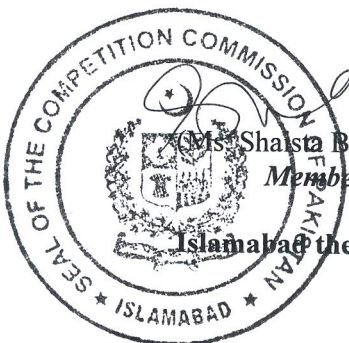
Ms. Bushra Naz  
*Member*



## ORDER

1. On 27th May, 2021 the Competition Commission of Pakistan ("**Commission**") received a pre-merger application ("**Application**") submitted by M/s. Nestlé S.A. ("**Nestle**" or "**Merger Party 1**") of a proposed merger pursuant to Section 11 of the Competition Act, 2010 ("**Act**") read with Regulation 6 of the Competition (Merger Control) Regulations, 2016 ("**Merger Regulations**") whereby M/s. Bountiful Company ("**Bountiful**" or "**Merger Party 2**") and its current business but excluding (i) NBTY (2015) Limited and its subsidiaries, (ii) Vita Health Products Inc, and (iii) the business associated with Pure Protein, Body Fortress, Met-Rx, Balance Bar and Best Bar Ever Brands (collectively as "**Excluded businesses**") will be merged with and into Nestle pursuant to the Merger Agreement ("**Agreement**").
2. The Commission has examined the Application as well as all the documents attached therewith, the market scenario, and made its observations on the basis of independent research/investigation in the relevant market. The Phase I competition assessment of the intended transaction has resulted in the following findings:
  - i. The business activities of the undertakings concerned are:
    - a. For Merger Party 1: production, marketing, and sale of a large variety of food and beverages products, including dairy products, coffee beverages, packaged water, cereals, culinary products including prepared food, condiments, sauces, dry pasta, ice cream, chocolate, tea beverages, confectionary products, snacks, pet food, and healthcare nutrition products.
    - b. For Merger Party 2: manufactures, markets, and sells vitamins, minerals, herbal supplements, and nutritional supplements.
  - ii. The proposed transaction involves the merger of Bountiful with and into Nestle, with Nestle being the surviving cooperation. Upon completion of the proposed merger, Nestle will have full control over the Bountiful except excluded businesses. The transaction under consideration is a sale of \_\_\_\_\_ shares of the Merger Party 2 to Merger Party 1. As per the Agreement, the consideration amount can be estimated to USD : \_\_\_\_\_ /- (Approx. PKR \_\_\_\_\_ as of June 14, 2021).
  - iii. The relevant market, in this case, has been identified as "**Vitamin, Minerals, and Supplements**" and the geographic market is "**Pakistan**". In Pakistan, Merger Party 1 is not active in the relevant market. The Merger Party 2 sells vitamins, minerals, herbal supplements, and nutritional supplements via third-party distributor namely M/s. Sigma Pharma International. The estimated market share of merger party 2 in the relevant market is less than \_\_\_\_\_%.
  - iv. The merger parties have no overlaps in Pakistan, therefore, post-transaction the market share will remain unchanged.
3. In conclusion, the proposed transaction does not meet the presumption of dominance as determined under Section (2) (1) (e) read with Section 3 of the Competition Act 2010 ("**Act**"). The proposed transaction is hereby authorized under Section 31 (1) (d) (i) of the Act.

4. It is so ordered.



(Ms. Shalsta Bano)  
Member

Islamabad the 14<sup>th</sup> JUNE, 2021.

(Ms. Bushra Naz)  
Member