



MERGER ANNOUNCEMENT - M/15/054

Competition and Consumer Protection Commission clears proposed acquisition by Sports Direct of Heatons

13/11/2015

The Competition and Consumer Protection Commission has today cleared the proposed transaction whereby Sports Direct International plc would acquire the majority of the issued share capital and thus sole control of Warrnambool, the parent company of Heatons, and of all of its wholly-owned subsidiaries (collectively the Heatons Group). The proposed transaction was notified under the Competition Act 2002, as amended, on 06 October 2015.

The Commission has formed the view that the proposed transaction will not substantially lessen competition in any market for goods or services in the State. The Commission will publish the reasons for its determination on its website no later than 60 working days after the date of the Determination and after allowing the parties the opportunity to request that confidential information be removed from the published version.

Additional Information

Sports Direct is a UK based sports and fashion retailer, listed on the London Stock Exchange and in the UK it operates approximately 400 sports stores and an additional 160 stores under the *Flannels*, *Cruise*, *USC*, *Republic* and *Van Mildert* fascias. Sports Direct has a portfolio of recognised sports, fashion and lifestyle brands, including *Dunlop*, *Slazenger*, *Everlast*, *Lonsdale* and *Karrimor*.

Sports Direct is currently a shareholder in the Heatons Group by virtue of a non-controlling 50 per cent interest in the Heatons Group's parent company. This shareholding will be increased as a result of the proposed transaction and as such Sports Direct will be acquiring sole control of Warrnambool and consequently the Heatons Group.

Sports Direct does not have any stores or physical presence in the State, other than its non-controlling 50% interest in Warrnambool. Sports Direct's Northern Irish activities are limited to three fashion stores in Belfast (two stores being *USC* branded and the other being *Cruise* branded).

Warrnambool is an Irish private unlimited company and it is the parent company of the Heatons group of companies, which consists of the trading companies, Heatons and Heatons (N.I.) Limited.

The Heatons Group operates a chain of 53 department stores under the '*Heatons*' brand on the island of Ireland, focussing on retailing men's, women's and children's clothing,



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together with home wares. Of the 43 *Heatons* stores located in the State, 27 incorporate a dedicated 'Sports World' section within the store, which sells sports clothing apparel, equipment and athletic footwear.

Each of the Heatons Group's ten *Heatons* stores in Northern Ireland either incorporates a 'Sports Direct' branded section or is located immediately adjacent to a 'Sports Direct' outlet which forms part of the Heatons Group's business. In addition, the Heatons Group owns and operates a further five standalone 'Sports Direct' branded stores in Northern Ireland.