



NEWS RELEASE

Monday 12 December, 2016

Sandpiper acquisition of Costcutter in Jersey not approved by CICRA at first stage

The Channel Islands Competition and Regulatory Authorities (CICRA) has decided that a more detailed review is needed into the proposed sale of the Costcutter convenience store franchise in Jersey by JMart to Sandpiper.

The proposed sale was notified to CICRA for approval on 1 November. CICRA has concluded that there were issues which could lead to a refusal to approve the transaction or to approve the transaction with conditions. It has therefore decided to refer the sale to a second review.

The proposed acquisition has generated an unprecedented number of responses to CICRA.

CICRA chief executive, Michael Byrne, said: "CICRA considers a number of transactions a year with the vast majority passed at the first stage following an initial review of the evidence provided.

"However there are exceptions where further review is required to check if acquisitions or mergers might not be in consumers' best interests – this is one of those cases."

Mr Byrne said CICRA would be seeking to ensure it is satisfied the sale will not adversely impact Jersey consumers through a reduction of competition.

CICRA has the power to approve an acquisition, allow the acquisition to proceed subject to conditions, or refuse to allow the acquisition.

“It is important we understand thoroughly the impact this particular sale would have on local people if approved.

“In particular we want to ensure the grocery market in Jersey works in the best interests of consumers and transactions such as this do not risk reducing value, choice and access to services.

“We will endeavour to reach a final decision within our administrative target of six months,” he said.

ENDS

NOTES TO EDITORS:

All enquiries should be directed in writing to CICRA chief executive, Michael Byrne, in Jersey at the Jersey Competition Regulatory Authority, 2nd Floor, Salisbury House, 1 - 9 Union Street, St Helier, Jersey JE2 3RF or in Guernsey at Suite 4, 1st Floor, Plaiderie Chambers, La Plaiderie, St Peter Port, Guernsey, GY1 1WG . Alternatively email info@cicra.gg.

About CICRA:

The Channel Islands Competition and Regulatory Authorities or 'CICRA' is the name given to the Jersey Competition Regulatory Authority (JCRA) and the Guernsey Competition and Regulatory Authority (GCRA) (formerly the Office of Utility Regulation). The JCRA was established under the Competition Regulatory Authority (Jersey) Law, 2001, and the GCRA was established under The Guernsey Competition and Regulatory Authority Ordinance, 2012. In Jersey, the telecoms and postal sectors are regulated by the JCRA, which is also responsible for administering and enforcing the Competition (Jersey) Law 2005. In Guernsey the telecoms, postal and electricity sectors are regulated by the GCRA, which is also responsible for the administration and enforcement of the Guernsey competition law since it came into force on 1 August 2012.

By working together and sharing resources and expertise between the islands, CICRA strives to ensure that consumers in all the Channel Islands receive best value, choice and access to high quality services.