



NEWS RELEASE

DATE 25 March 2024

Competition regulator conditionally approves merger of potato exporters

The Jersey Competition Regulatory Authority (the Authority) has approved the merger of Jersey's two largest potato exporters, Albert Bartlett & Sons (Airdrie) Limited (Albert Bartlett) and the Jersey Royal Company Limited (JRC).

The deal will create a business that exports the vast majority of all Jersey Royals produced in Jersey each year, to the UK. Through its detailed review, the Authority determined the proposed transaction would threaten to result in a substantial lessening of competition by reducing the ability of Jersey's independent growers to ensure they receive a fair, reasonable and non-discriminatory price for their produce. In other words, if growers were dissatisfied with the price offered for their potatoes by the merged entity, they would have no alternate route to market in the UK, on the scale of the merged entity.

However, it was evident that the transaction would also likely create efficiencies and would enable the merged entity to better compete in the UK tendering process, support the status and longevity of the Jersey Royal Brand and protect the Island's agricultural industry, a view supported by the Island's independent growers and the government's Rural Economy Team.

Under the competition law (Article 22), where a transaction would not be approved, the Authority may still approve it by attaching conditions to safeguard the interests of consumers, businesses, and the market. Following further analysis, market testing and discussions with the parties, the Authority has decided to approve the proposed transaction with the following, continuing, conditions:

- **Condition 1:** Albert Bartlett shall commit, in writing, to provide the independent growers, who agree to supply potato stock to them, a fair, reasonable and non-discriminatory market price for the stock purchased by Albert Bartlett.
- **Condition 2:** In the event any independent grower considers Albert Bartlett has not honoured Condition 1, the independent growers may raise their concern with the Jersey Farmers Union as their representative on the Jersey Royal Brand Management Group or directly to the Minister for the Environment or the Minister for Sustainable Economic Development. Albert Bartlett will engage in any consequential discussions transparently, constructively and in good faith.

These conditions are legally binding on Albert Bartlett and its subsidiaries, directors and officers.

Tim Ringsdore, CEO of the Authority, said “In coming to this decision, the Authority has worked closely with stakeholders, especially Government, who maintain close oversight and control of the Jersey Royal sector, the independent growers, and of course the parties to the transaction, to arrive at an outcome that benefits consumers, the independent growers, the local economy and Jersey’s position in this market.”

Ends

Issued by ORCHID

Allan Watts

T: 01534 888994

E: allan@orchid.je

NOTES TO EDITORS:

About The Jersey Competition Regulatory Authority:

The Authority was established under the Competition Regulatory Authority (Jersey) Law 2001. It is responsible for administering and enforcing the Competition (Jersey) Law 2005 and also regulates the telecoms and postal sectors and the Ports of Jersey.

The Authority strives to ensure that the markets work well for the benefit of all stakeholders, including Government, business, citizens, and consumers facilitating best value, choice and access to high quality services.