

Konkurransetilsynet
Postboks 439 Sentrum
5805 Bergen

(sendes også pr e-post til post@kt.no)

Oslo, 5 February 2010

**STANDARDIZED NOTIFICATION REGARDING STABBURET AS'
ACQUISITION OF BUSINESS FROM SARA LEE HOUSEHOLD & BODY
CARE NORGE AS AND OTHERS**

1. Name and addresses

Notifying party:

Stabburet AS, enterprise no 916 170 858
Lienga 6
1411 Kolbotn

Contact person:

Advokat Camilla Tellefsdal Robstad, c/o Orkla ASA, juridisk avdeling.
Email: camilla.robstad@orkla.no, phone: 22 54 44 85 / 995 23 549,
fax: 22 54 44 92

Other undertakings involved:

Sara Lee Household & Body Care Norge AS, enterprise no 916 802 870
Trollåsveien 4
1414 Trollåsen

A/S Blumøller, enterprise no 37476919
Nyvang 16
5500 Middelfart
Denmark

Sara Lee Household & Body Care International BV, enterprise no 30105413
Vleutensevaart 100
3532 AD Utrecht
The Netherlands

(jointly referred to below as the "Sellers")

Orkla ASA

Postadresse

Postboks 423 Skøyen
N-0213 Oslo

Besøksadresse

Karenslyst allé 6
0278 Oslo

Telefon 22 54 40 00
Telefaks 22 54 45 90
www.orkla.no

Foretaksregisteret

NO 910 747 711 MVA

2. Information on the type of concentration

By this transaction Stabburet AS (Stabburet) will acquire from the Sellers their business related to marketing, sales and distribution of water based flavoured drink concentrates (gløgg), vinegar and marmalade under the trademarks Tomtegløgg, Fredr Hvedings and Fru Bennett's (referred to below as the "Business").

3. Description of undertakings involved

3.1 Stabburet AS

Stabburet is one of the leading food suppliers in Norway. Stabburet's most important product groups are pizzas, sauces, ready made food, drinks and different kinds of bread spreads. Among Stabburet's brand names are Grandiosa, Big One, Stabburet, Nora, Nugatti, Fun Light, Idun and Chef.

Stabburet is a division in Orkla Foods Nordic which is part of Orkla Brands, the brand division of Orkla ASA.

In 2008 Stabburet had a total turnover of NOK 2 948 521 000 and a result of NOK 349 688 000.

More information about Orkla and Orkla Brands can be found on the website www.orkla.no. More information about Stabburet can be found on the website www.stabburet.no.

3.2 Sara Lee Household & Body Care Norge AS

Sara Lee Household & Body Care Norge AS is a sales and marketing company owned by the Dutch company Sara Lee Household & Body Care International B.V, a part of the USA based Sara Lee Corporation. Sara Lee Corporation is a global manufacturer and marketer of high-quality, brand-name products for consumers throughout the world. Sara Lee's businesses are:

- North American Fresh Bakery
- North American Retail
- North American Foodservice
- International Beverage
- International Bakery
- International Household and Body Care

Sara Lee has identified its worldwide Household & Body Care division as a divestiture candidate as part of Sara Lee's review of its portfolio. The brand names Tomtegløgg,

Fredr Hvedings (35 % vinegar) and Fru Bennet's (bitter orange marmalade) are part of the Household & Body Care division in Norway.

For the fiscal year 2009 (June 2008 – June 2009) the gross sales value for the Business was NOK [REDACTED] with a contribution margin of NOK [REDACTED]. Tomtegløgg represents the larger parts of the sales value with a gross sales value in 2009 of NOK [REDACTED] and a contribution margin of NOK [REDACTED]. Gross sales value of Fru Bennet's was NOK [REDACTED] in 2009, with a contribution margin of NOK [REDACTED]. Gross sales value of Fredr Hvedings was NOK [REDACTED] in 2009, with a contribution margin of NOK [REDACTED].

A/S Blumøller (a company in the Sara Lee Corporation) and Sara Lee Household & Body Care International BV are of historical reasons registered owners of respectively the trademark "Tomtegløgg" in Denmark and "Hveding" in Norway, and are thus parties to the agreement in addition to Sara Lee Household & Body Care Norge AS.

More information about Sara Lee Corporation and Sara Lee Household & Body Care Norge AS can be found on the websites www.saralee.com and www.saralee.no

4. Relevant markets

The acquired Business consists of different groups of products sold and marketed under three different trademarks; "Tomtegløgg", Fredr Hvedings and Fru Bennet's.

The transaction will not raise competition concerns according to the Competition Act section 16. However, in order for the Competition Authority to understand the transaction, each transferred trademark and accompanying products will be described below.

4.1 Tomtegløgg

The Tomtegløgg business consists of sale and marketing of "gløgg", "gløggmix" and "tomtebrygg". "Gløgg" is a warm spicy drink to be consumed mainly during and prior to Christmas, "tomtebrygg" is an extract for Christmas-beer and "gløggmix" is a mix of raisins and almonds to be used in "gløgg". Stabburet has been the producer of the "gløgg" and the "tomtebrygg" products for Sara Lee for several years. The "gløggmix" is imported from a Danish supplier.

With regard to "gløggmix", we assume that this product could be regarded as part of the product markets for raisins and almonds, respectively. In any event and in any alternative market definition, this product will have a negligible market presence impossible to affect any competitive parameter.

With regard to "gløgg" and "tomtebrygg", we assume that these products could be regarded as separate product markets due to the products' distinctive taste and use and

their strong seasonal character. If the Competition Authority were to take such a view, Tomtegløgg could be assessed to be market leader.

However, prior to the implementation of the transaction, Stabburet/Orkla does not sell or market any products competing with Tomtegløgg in the market, i.e. the parties do not have any horizontal overlapping business on the relevant market(s). In an alternative broader product market definition, the market presence of Tomtegløgg would be negligible. Consequently, the proposed transaction and the transfer of Tomtegløgg to Orkla/Stabburet will not adversely affect competition in any market and, similarly, not create or strengthen a significant restriction of competition.

4.2 Fredr Hvedings

The Fredr Hvedings business consists of sale and marketing of the two 35 % vinegar brands Fredr Hvedings and Gimsøy. [REDACTED] The Gimsøy brand is already owned by Stabburet prior to the transaction.

Stabburet was until recently the producer of the vinegar products for Sara Lee. The products are now produced by a Danish supplier.

Fredr Hvedings and Gimsøy are the only 35 % vinegar brands in Norway. Stabburet produces and sells Idun Edikk, 7 % vinegar. The total market for vinegar has a consumer value of MNOK 36.4. Stabburet does not track vinegar market shares on a regular basis, but based on sales numbers and numbers for the total market it is estimated that Stabburet has a market share of 30-33 % (both value and volume). The market shares of Fredr Hvedings/Gimsøy are estimated to 5-7 %. The strongest competing brands are Il Torrone (distributed in Norway by Lorentzen) and Heinz (distributed in Norway by Haugengruppen). The numbers are estimated based on internal Stabburet sales numbers and ACNielsen Market report 2009 with numbers from 2008.

The 35 % vinegar is a marginal product, and the takeover by Stabburet will not lead to any competition concerns. The development in the vinegar market is characterized by import of different kinds of vinegar and a broader choice for consumers.

4.3 Fru Bennet's

The Fru Bennet's business consists of sale and marketing of bitter orange marmalade. The marmalade is produced by a Norwegian producer, AS Lisa, which is also the owner of the recipe.

Stabburet produces and sells jam and marmalade under the brand Nora. The total value for the jam and marmalade market in Norway is MNOK 634.3. Stabburet has a total market share of 34.1 % in volume and 49.3 % in value. The market share of the Fru Bennet's brand is around 0.5 % in value. The most important competitors are Lerum (19.4 % market share in volume and 18.5 % in value) and private labels (43.9 % in

volume and 26.6 % in value). The numbers are based on last 52 weeks sales measures in week 53 2009 in ACNielsen running ScanTrack reports.

Fru Bennet's bitter orange marmalade is a British type of marmalade which is a marginal product on the Norwegian market. The takeover of Stabburet will not lead to any competition concerns.

5. Competitors, customers and suppliers

5.1 The Tomtegløgg business

The most important competitors:

- Norgesgruppen (First Price)
- Rema (Landlord)
- Rema (Nissens)
- ICA (T. Harlem/Harlem Foods)

The most important customers:

- Norgesgruppen
- Coop
- Rema
- ICA

The most important suppliers:



5.2 The Fredr Hvedings business

The most important competitors:

- Fredr Hvedings is the only brand in Norway with 35 % vinegar
- Stabburet
- Lorentzen (Il Torrione)
- Haugengruppen (Heinz)

The most important customers:

- Norgesgruppen
- Coop
- ICA

The most important suppliers:



5.3 The Fru Bennet's business

The most important competitors:

- Stabburet (Nora)
- Coop (private label)
- Norgesgruppen (First Price)
- AS Røra
- Lerum Fabrikker AS

The most important customers:

- Norgesgruppen
- ICA
- Coop
- Rema

The most important suppliers:



6. Annual reports/accounts

Annual reports for Stabburet AS and Sara Lee Household & Body Care Norge AS are publicly available in the Register of Company Accounts in Brønnøysund.

7. Confidentiality

This document contains confidential information. Attached please find a non-confidential version of the document where information regarded as confidential is removed.

Oslo, 5 February 2010



Camilla Tellefsdal Robstad e.f.
Advokat

Appendix: Non-confidential version of the notification