



MEDIA RELEASE

19 September 2017

CCS Consults on the Proposed Merger of Essilor International (Compagnie Generale d'Optique) S.A. and Luxottica Group S.p.A.

The Competition Commission of Singapore (“**CCS**”) is conducting a public consultation from 19 September 2017 to 4 October 2017 to invite interested parties to provide feedback on the proposed merger of Essilor International (Compagnie Generale d'Optique) S.A. (“**Essilor**”) and Luxottica Group S.p.A. (“**Luxottica**”) (the “**Proposed Transaction**”).

2. CCS received a notification from Essilor and Luxottica (the “**Parties**”) for a decision on the Proposed Transaction on 13 September 2017. CCS accepted the notification as complete on 16 September 2017.

3. CCS is assessing whether section 54 of the Competition Act (Cap. 50B) which prohibits mergers that have resulted, or may be expected to result, in a substantial lessening of competition within any market in Singapore applies to the notified Proposed Transaction.

The Proposed Transaction

4. Essilor is a global manufacturer and wholesale supplier of ophthalmic lenses, and to a lesser extent, other optical products. Essilor is active in every phase of ophthalmic (corrective) lens development, from design to manufacture to wholesale, with a particular focus on research and development. Essilor also manufactures and markets machines, instruments and services for eye-care professionals. It is also marginally active in the manufacture and sale of sunglasses and in online retail sales, its activities in these areas are mostly focused outside South-East Asia. According to Essilor, its activities in these areas are almost negligible in Singapore. Additional information on the Essilor group is available at www.essilor.com.

5. Luxottica designs, manufactures, and distributes eyewear, i.e., prescription frames and sunglasses. In Europe, Luxottica manufactures lenses for the purpose of

serving only its own retail network and/or products. In Singapore, Luxottica is involved in wholesale supply activities in respect of spectacle frames and sunglasses under its house brands or under brands that are licensed by third parties. At the retail level, through Sunglass Hut, Luxottica primarily sells sunglasses both from its brand portfolio of house and licensed brands and from third parties. Luxottica is not active in any phase of ophthalmic lens development in Singapore. Additional information on Luxottica is available at www.luxottica.com.

6. According to the Parties:

- a. There is a very minimal overlap with respect to the following goods / services:
 - i. the manufacture and wholesale supply of sunglasses,
 - ii. the manufacture and wholesale supply of prescription frames, and
 - iii. the retail of optical products.
- b. All of these markets are highly competitive; there are no entry barriers and customers have significant countervailing buyer power. Whilst both companies are major players in the eyewear industry, their businesses are highly complementary. Essilor's activities are strongly focused on ophthalmic lenses, while Luxottica's primary activities are the manufacturing and distribution of prescription frames and sunglasses. In Singapore, the parties' activities overlap very minimally, and the Transaction is not expected to result in non-coordinated or coordinated effects, and / or vertical effects. Rather, the combination is expected to bring about significant synergies and benefits for consumers, such as efficiencies in the supply and delivery chain and the development of innovative products.

Public Consultation

7. CCS is inviting public feedback in relation to the Proposed Transaction.

8. More information on the public consultation can be accessed and downloaded from the CCS website at www.ccs.gov.sg under the section "[Public Register and Consultation](#)". The closing date for submissions is on or before **4 October 2017**. If the submission/correspondence contains confidential information, please also provide CCS with a non-confidential version of the submission or correspondence.

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About The Competition Commission of Singapore (CCS)

CCS is a statutory board established under the Competition Act (Chapter 50B) on 1 January 2005 to administer and enforce the Act. It comes under the purview of the Ministry of Trade and Industry. The Act empowers CCS to investigate alleged anti-competitive activities, determine if such activities infringe the Act and impose suitable remedies, directions and financial penalties.

For more information, please visit www.ccs.gov.sg.

For media clarifications, please contact:

Ms. Grace Suen

Senior Assistant Director

Communications

Competition Commission of Singapore

Email: grace_suen@ccs.gov.sg

DID: 6325 8216 / 9835 8601