



Australian  
Competition &  
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Commission

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# NEWS RELEASE

## ACCC TO OPPOSE THE ACQUISITION OF BREVILLE BY SUNBEAM

The Australian Competition and Consumer Commission announced today that it will oppose the proposed acquisition of Breville Group Limited by GUD Holdings Limited.

GUD Holdings supplies the Sunbeam and Emjoi ranges of small electrical appliance products in Australia, while Breville Group supplies the Breville, Kambrook, Ronson and Philips ranges of products.

"The ACCC's investigation found that the proposed acquisition of Breville Group by GUD Holdings would likely lead to a substantial lessening of competition in relation to the wholesale supply of a number of categories of small electrical appliances," ACCC Chairman Graeme Samuel said today.

In forming this view, the ACCC made inquiries of a large number of stakeholders, many of whom raised concerns regarding the proposed acquisition.

"GUD Holdings and Breville Group are by far the two largest players in small appliances overall. Between them they account for the majority of sales of many product categories and for some products they have a dominant sales share in excess of 90 per cent."

"Market inquiries indicated that they are each other's closest competitors, and impose the strongest constraint on each other in relation to the wholesale supply of small electrical appliance products. If GUD Holdings was to acquire Breville Group there would be a reduction in this competitive tension that could result in higher prices for consumers as well as a reduction in the head to head competition between these two companies on product range, promotions and innovation," he said.

"The ACCC considers that consumers place significant value on brands, and that this acts as a barrier to entry and expansion by competitors, including the large retailers' house brands. The ACCC found that Breville and Sunbeam have the strongest and most recognised brands in the industry, and it was unlikely that existing suppliers of small electrical appliances would have the ability and incentive to replace the competition lost as a result of the proposed acquisition."

A Public Competition Assessment outlining the reasons for the ACCC's decision in more detail will be available on the ACCC's website, [www.accc.gov.au](http://www.accc.gov.au), in due course.

### Media inquiries

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### General inquiries

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