C/2026/4335

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Summary of Commission Decision

of 8 December 2025

declaring a concentration compatible with the internal market and the functioning of the EEA Agreement

(Case M.11753 – MARS / KELLANOVA)

(notified under document number C(2025)8385)

(Only the English text is authentic)

(Text with EEA relevance)

(C/2026/4335)

On 8 December 2025 the Commission adopted a Decision in a merger case under Council Regulation (EC) No 139/2004 of 20 January 2004 on the control of concentrations between undertakings [1], and in particular Article 8(1) of that Regulation. A non-confidential version of the full Decision can be found in English on the website of the Directorate-General for Competition, at the following address: https://competition-cases.ec.europa.eu/search.

1. **THE PARTIES**

(1) Mars, Incorporated ('Mars') headquartered in McLean, United States, is a family-owned supplier of confectionery, food products, pet food and animal care services. Mars operates its business in three main segments: (i) Snacking; (ii) Food & Nutrition; and (iii) Petcare.

(2) Kellanova (formerly Kellogg Company), headquartered in Chicago, United States, principally manufactures and markets snacks and convenience foods. Kellanova operates its business in four divisions: (i) Snacks; (ii) Ready-to-eat cereal ('RTEC'); (iii) Frozen; and (iv) Noodles and Others. In the European Economic Area ('EEA'), Kellanova generates sales only through its Snack and its RTEC divisions.

2. **THE OPERATION**

(3) On 16 May 2025, the Commission received a formal notification pursuant to Article 4 of the Merger Regulation by which Mars intends to acquire within the meaning of Article 3(1)(b) of the Merger Regulation sole control of the whole of Kellanova by way of purchase of shares (the 'Transaction'). Mars and Kellanova are designated hereinafter as the 'Parties'. The entity resulting from the Transaction is designated hereinafter as the 'Merged Entity'.

(4) The Transaction has a Union dimension as the turnover thresholds set out in Article 1(2) of the Merger Regulation are met.

(5) By decision dated 25 June 2025, the Commission found that the Transaction raised serious doubts as to its compatibility with the internal market and initiated Phase II proceedings pursuant to Article 6(1)(c) of the Merger Regulation.

(6) The draft of the decision was consulted with the Member States during the Advisory Committee on Concentrations on 18 November 2025, which provided a favourable opinion. The Hearing Officer provided its favourable opinion on the proceedings in his report which was submitted on 27 November 2025.

[1] OJ L 24, 29.1.2004, p. 1.

3. **SUMMARY**

(7) The market investigation in Phase II revealed that the Transaction would not significantly impede effective competition in the internal market or in a substantial part of it.

(8) Therefore, the Transaction is declared compatible with the internal market and with the EEA Agreement and therefore, a clearance decision pursuant to Article 8(1) of the Merger Regulation and Article 57 of the EEA Agreement was adopted on 8 December 2025.

4. **EXPLANATORY MEMORANDUM**

4.1. **The relevant product markets**

(9) The Parties' activities encompass a broad range of product categories, with multiple brands and products across different segments previously assessed by the Commission, such as chocolate confectionery, gum, and pet food for Mars as well as cereals and savoury snacks for Kellanova.

(10) In terms of relevant product markets and segments, the Parties' offering can be segmented (i) based on sales channel, (ii) by type of products, and (iii) between private label and branded products.

(11) Following its investigation, the Commission concluded that the exact product market definition can remain open since the Transaction would not significantly impede effective competition under any plausible market definition. For the purposes of the competitive analysis, the Commission assessed the following relevant product markets:

(1) market for the modern retail channel for each of the subsequently mentioned products;

(2) market for the production and supply of chocolate confectionery with segments for (i) chocolate countlines, (ii) chocolate tablets, (iii) chocolate pralines, (iv) chocolate bites (also referred to as chocolate pouches and bags), (v) chocolate specialties and (vi) chocolate seasonal items;

(3) market for savoury snacks overall as well as specifically for stacked chips;

(4) market for RTEC with segments for (i) RTEC products excluding muesli, (ii) muesli, (iii) RTEC products in 'health' category', (iv) RTEC products for children and (v) RTEC products for adults / family;

(5) market for gum overall;

(6) markets for hot sauces and cold sauces;

(7) markets for ready-to-heat rice and dry rice;

(8) market for cat food and dog food, with sub-segments of dry food, wet food, and snacks;

(9) market for snack bars with segments for (i) cereal bars, (ii) fruit and nut bars, and (iii) protein and energy bars;

(10) markets for private label products and branded products at the wholesale level for the relevant products in this case.

4.2. **The relevant geographic markets**

(12) The Commission's market investigation confirmed that there are no factors speaking against deviating from the Commission's decisional practice defining the relevant markets as national in scope. For the purposes of the competitive analysis, the Commission assessed the relevant product markets at national level.

4.3. **Competitive assessment**

4.3.1. *Introduction*

(13) The Transaction gave rise to horizontal overlaps and conglomerate relationships between the Parties' activities. The Transaction did not give rise to vertical relationships.

4.3.2. *Horizontal non-coordinated effects*

(14) The Parties' activities resulted in horizontally affected markets in respect of (i) cereal bars excluding private label products in Ireland; and (ii) fruit and nut bars excluding private label products in Spain.

(15) The Commission's market investigation confirmed that the Transaction does not significantly impede effective competition in the EEA, or in a substantial part of it as a result of horizontal non-coordinated effects in respect of the horizontally affected markets and segments at hand. This is mainly because the Parties' combined market shares are relatively moderate (below 30 %), the Parties do not compete closely, a sufficient number of alternative suppliers to the Merged Entity remains post-Transaction, and no customers or competitors raised substantiated concerns but rather considered the effects of the Transaction to be neutral.

4.3.3. *Conglomerate effects*

(16) The Commission's market investigation focussed on whether the Transaction could significantly increase the bargaining power of the Merged Entity vis-à-vis retailers, in a way that would amount to a significant impediment to effective competition, considering (i) the Parties' market power in individual product categories, (ii) the Merged Entity's ability to link negotiations across product categories, and (iii) the degree to which the Merged Entity can translate market power in individual categories into bargaining power across its entire product portfolio based on linked negotiations.

(17) The Commission's market investigation confirmed that the Transaction does not significantly impede effective competition in the EEA, or in a substantial part of it as a result of conglomerate effects.

(18) First, the Commission's Phase II investigation provided further indications that each of Mars and Kellanova has market power in various individual product categories across 10 countries in the EEA. However, for the purposes of the decision, it was not necessary to conclude on the question of market power as, regardless of whether the Parties were found to have market power in individual product categories, the Commission found that the Transaction would not significantly increase the Merged Entity's bargaining power post-Transaction.

(19) Second, the Commission's Phase II investigation confirmed that Mars has the ability (and the Merged Entity will continue to have the ability) to link negotiations across product categories. The investigation revealed that in the past Mars effectively leveraged its portfolio to achieve better terms and conditions, even when negotiations were initiated on a product-by-product basis. This said, the Commission's Phase II investigation showed that some retailers also link the outcome of their negotiations with Mars across product categories and / or are sometimes able to resist Mars during negotiations.

(20) Third, to understand the degree to which the Merged Entity could translate market power in individual categories into bargaining power across its entire product portfolio based on linked negotiations, the Commission examined several parameters to assess the likely impact on retailers should the Merged Entity's portfolio be unavailable. More specifically, the Commission considered (i) whether consumers engage in one-stop shopping, (ii) the extent to which consumers of Mars and Kellanova are overlapping, (iii) the characteristics of Kellanova's products to be added to Mars' portfolio, (iv) the level of loyalty consumers exhibit towards the Parties' brands i.e., are consumers likely to switch to another retailer if the Parties' products are unavailable at their primary supermarket, and (v) whether, should consumers switch to another retailer, they are likely to take with them their entire shopping basket (or a significant portion thereof).

(21) While the Commission's Phase II investigation supported there being one-stop shopping (i.e., that consumers concentrate most of their weekly shopping at a single supermarket), as well as there being a significant portion of consumers who regularly buy at least one product from each of Mars and Kellanova, the other elements investigated by the Commission did not provide strong support that the Transaction is likely to significantly increase the bargaining power of the Merged Entity vis-à-vis retailers in a manner that would result in a significant impediment of effective competition.

(22) Firstly, in terms of the characteristics of Kellanova's products to be added to Mars' portfolio the Commission's Phase II investigation showed that Pringles are (i) typically purchased infrequently on an impulse base, (ii) available through various sales channels, and (iii) face competition from private label as well as players active in the broader chips / savoury snacks market. Regarding Kellogg's (and its various sub-brands) the Commission notes that (i) the sales of cereals overall are declining, (ii) Kellogg's has lost sales to private label alternatives, and (iii) consumers purchase cereals only infrequently. Moreover, both Pringles and Kellogg's have long shelf lives i.e. do not need to be purchased on a weekly basis. Due to these characteristics Kellanova's Pringles and Kellogg's are unlikely to grant the Merged Entity outweighing bargaining power.

(23) Secondly, while some of the available evidence supports consumers being loyal to (some of) the Parties' brands to the extent that they would switch to another retailer if these were unavailable at their primary supermarket (instead of switching to an alternative product), the Commission's Phase II investigation established that on balance the available evidence does not show that a meaningful portion of consumers would be likely to switch to another retailer if the Parties' products were unavailable at their primary supermarket. Moreover, the Commission finds even less support for there being a meaningful portion of consumers that would only switch if both Mars' and Kellanova's products were missing but would not do so if products from only either party were missing. Also, the Parties internal documents show that in past occasions during which the Parties products have not been available at a particular retailer, both the Parties themselves and the retailers have suffered from lost sales.

(24) Thirdly, the Commission did not find support for a 'basket effect' i.e., that consumers would switch their entire shopping basket (or a significant portion thereof) to another retailer should the Merged Entity's products be unavailable at their primary supermarket. Therefore, the evidence did not show that retailers are likely to face significantly higher losses compared to the Parties, should the Parties' products be unavailable at their stores.

5. **CONCLUSION**

(25) For the reasons mentioned above, the decision concludes that the Transaction will not significantly impede effective competition in the internal market or in a substantial part of it.

(26) Consequently, the concentration should be declared compatible with the internal market and the functioning of the EEA Agreement, in accordance with Article 2(2) and Article 8(1) of the Merger Regulation and Article 57 of the EEA Agreement.