Billionaire Issa brothers make offer to get Asda's £600m Co-op deal approved amid £8bn Subway move

The billionaire Issa brothers have made an offer which they hope will help get Asda's £600m deal with the Co-op approved.

The businessmen, along with their private equity partner TDR Capital, have proposed selling 13 petrol stations in a bid to persuade the Competition and Markets Authority (CMA) to back the deal.

Earlier this month the watchdog warned that the deal could result in higher prices or less choice in 13 locations.

READ MORE: Click here to sign up to the BusinessLive North West newsletter

The judgement came after an official inquiry was launched into the deal in January after the transaction was completed towards the end of last year and saw 2,300 workers move over to the supermarket giant.

In August 2022, the Co-op first revealed plans to sell its 132 petrol stations and attached convenience stores in a bid to bolster its finances.

The Co-op said proceeds from the sale will be reinvested into its core convenience shops, pricing, stores operations and reducing its debt burden.

In October, Asda said the CMA had already issued an initial enforcement order, meaning the Co-op sites must remain separate until any probe is completed.

In an update published today (Tuesday, March 28), the CMA said: “The CMA considers that there are reasonable grounds for believing that the undertakings offered by Asda Stores Limited, Asda Group Limited, Mr Mohsin Issa, Mr Zuber Issa and TDR Capital LLP, or a modified version of them, might be accepted by the CMA under the Enterprise Act 2002.”

The CMA update comes amid reports that the billionaire Issa brothers are eyeing up a potential takeover of major fast food chain Subway.

The Lancashire-based brothers are understood to be plotting to acquire the sandwich chain – which has 44,000 restaurants globally – for £8bn.

The brothers already have a few Subway stores in some of its more than 6,300 petrol stations across the globe. This includes 340 stations in the UK.

Subway announced earlier this year that it was looking into the possibility of selling the business.

At the time, the company did not indicate how long the sales process could take or whether there were any interested parties.

It also said it couldn’t confirm if a sale would actually take place.

The family-owned chain also said that it would not be making any further companies about the potential sale going forward.

According to the Wall Street Journal, which first reported the story, a sale of the Subway could value it at more than $10bn (£8.2bn), which is a similar figure to the Issa brother’s reported bid.

READ MORE:

- **Chinese pharmaceutical giant Pharmaron to create 174**

Liverpool jobs after securing £151m investment

- **Almost £4m owed by children’s arts and crafts maker as it collapsed into administration with the loss of 30 jobs**
- **Insync Bikes to cut jobs and seek £3m lifeline after ‘huge erosion’ in demand**
- **Rise of home working hits finances of construction giant behind Manchester landmarks**
- **Michelin stars: The 16 North West restaurants honoured in the 2023 guide**