

# Morrisons takeover tussle to be settled in auction process

The takeover battle for supermarket chain Morrisons will be settled by an auction process this weekend, it has been confirmed.

US private equity firm Clayton, Dubilier & Rice (CD&R) is vying with Fortress Investment Group, a vehicle backed by Japan's Softbank conglomerate, for control of Britain's fourth-biggest grocer.

CD&R, whose bid team is spearheaded by former Tesco chief executive Sir Terry Leahy, last month [agreed a £7bn takeover](#) of Morrisons, trumping a previous £6.7bn offer it had accepted from Fortress.



SOURCE: LSE

It was CD&R which had initially shown its hand back in June, with an initial £5.5bn tilt at the business – details of which were [first reported by Sky News](#) – which was rejected.

That precipitated a surge in the Morrisons share price in

anticipation of the bidding war which has since ensued.

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But there have also been concerns from politicians about the potential for its new owners to sell off property assets or reduce the rights of workers – which both sides have tried to allay.

With neither bid for the business declared “final”, Morrisons [revealed earlier this month](#) that it was on course to go to an auction – and details of the process have now been confirmed by the UK Takeover Panel.

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The panel said it would consist of a maximum of five rounds which will all take place this Saturday and the outcome of the process will be formally announced by the start of next week.

However the process could still be scrapped if either side say they will not increase their final offers.

Earlier this month, [Morrisons reported](#) a 43% slump in half-year profits after COVID-19 costs took their toll and warned of price rises and product shortages amid current strains on supply chains.