

## Ceconomy and Fnac Darty Put Alliance on "Pause"

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Ceconomy, the parent company of MediaMarkt and Saturn, delays plans to form a partnership with Fnac Darty, since it first wants to find a solution for ongoing financial troubles.



"We have hit pause," the retailer tells Reuters.

The two retailers announced plans for a purchasing alliance back in May 2018. Dubbed a "European Retail Alliance," the aim of the partnership was to bring further efficiencies through strategic agreements with key suppliers, private label sourcing, licensing agreements and data collaboration activities. The result, the two retailers hoped, would bring about a network open for CE retailers across Europe, one leading to exclusive products and services.

However, while Ceconomy owns 24% of Fnac Darty, but while it wants to further consolidate the European CE market, it lacks the funds required for future acquisitions. After all, it sees fiscal 2017/2018 turnover falling by -0.9% to €21.4 billion, while gross company result (EBITDA) is down by €63 million to €650m. As a result, company margin is just 1.9%.

Furthermore, October 2018 saw the departure of CEO Pieter Haas, followed by CFO Mark Friese leaving in December.

Go [Ceconomy Hits Pause on Alliance Plans With Fnac Darty \(Reuters\)](#)

Go [Ceconomy Fiscal 2017/2018 Results](#)