

**ANTICIPATED ACQUISITION BY NATIONAL EXPRESS GROUP PLC OF THE  
THAMESLINK AND GREAT NORTHERN RAIL FRANCHISE**

**Terms of reference**

1. Whereas in exercise of its duty under section 33(1) of the Enterprise Act 2002 ("the Act") to make a reference to the Competition Commission ("the CC") in relation to an anticipated merger the Office of Fair Trading ("the OFT") believes that it is or may be the case that-
  - (a) arrangements are in progress or in contemplation which, if carried into effect, will result in the creation of a relevant merger situation in that:
    - (i) National Express Group PLC ("NEG") will acquire the Thameslink and Great Northern ("TGN") franchise such that TGN will cease to be distinct from enterprises carried on by or under the control of NEG; and
    - (ii) the value of turnover in the United Kingdom of the enterprise to be acquired exceeds £70 million; and
  - (b) the creation of that situation may be expected to result in a substantial lessening of competition within any market or markets in the United Kingdom for goods or services, namely the supply of passenger transport services between Central London and Gatwick.
2. Now, therefore the OFT in exercise of its duty under section 33 of the Act, hereby refers to the CC, for investigation and report within a period ending on **17 January 2006**, the following questions in accordance with section 36 of the Act –
  - (a) whether arrangements are in progress or in contemplation which, if carried into effect, will result in the creation of a relevant merger situation; and
  - (b) if so, whether the creation of that situation may be expected to result in a substantial lessening of competition within any market or markets in the United Kingdom.
3. In relation to the question whether a relevant merger situation will be created, the CC shall exclude from consideration one of the subsections (1) and (2) of section 23 of the Act if they find that the other is satisfied.

**Vincent Smith**

**Director – Competition Enforcement Division**  
**3 August 2005**