

**COMPLETED ACQUISITION BY SOMERFIELD PLC OF 114 STORES FROM Wm MORRISON SUPERMARKETS PLC**

**Terms of reference**

1. Whereas in exercise of its duty under section 22(1) of the Enterprise Act 2002 (“the Act”) to make a reference to the Competition Commission (“the Commission”) in relation to a completed merger the Office of Fair Trading (“the OFT”) believes that it is or may be the case that-
  - (a) a relevant merger situation has been created in that:
    - (i) enterprises carried on by or under the control of Somerfield PLC have ceased to be distinct from enterprises carried on by or under the control of Wm Morrison Supermarkets PLC; and
    - (ii) the value of the turnover in the United Kingdom of the enterprises carried on by or under the control of Wm Morrison Supermarkets PLC exceeds £70 million; and
  - (b) the creation of that situation has resulted, or 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 grocery retailing in the United Kingdom.
2. Now, therefore, the OFT, in exercise of its duty under section 22 of the Act, hereby refers to the Commission, for investigation and report within a period ending on 6 September 2005, the following questions in accordance with section 35 of the Act-
  - (a) whether a relevant merger situation has been created; and
  - (b) if so, whether the creation of that situation has resulted, or may be expected to result, in a substantial lessening of competition within any market or markets in the United Kingdom for goods or services.
3. In relation to the question whether a relevant merger situation has been created, the Commission 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.

**Penny Boys  
Executive Director  
23 March 2005**