

**The joint venture between Stagecoach Bus Holdings Limited and Braddell PLC  
in relation to megabus.com, Motorvator and Scottish Citylink**

**Notice of proposal to accept undertakings pursuant to section 82 of  
and Schedule 10 to the Enterprise Act 2002 and public consultation  
on the proposed undertakings**

1. On 15 March 2006 the Office of Fair Trading referred the completed joint venture between Stagecoach Bus Holdings Limited (part of Stagecoach Group plc (Stagecoach)) and Braddell PLC (Braddell) in relation to the Scottish bus and coach businesses operating under the megabus.com, Motorvator and Scottish Citylink brands to the Competition Commission (CC) for investigation and report under section 22 of the Enterprise Act 2002 (the Act).
2. In its report *Stagecoach and Scottish Citylink: A report on the completed joint venture between Stagecoach Bus Holdings Limited and Braddell PLC in relation to megabus.com, Motorvator and Scottish Citylink* (the report) dated 3 October 2006 the CC concluded that:
  - (a) the creation of the joint venture was the creation of a relevant merger situation;
  - (b) the creation of that relevant merger situation has resulted in a substantial lessening of competition within the market for the supply of scheduled coach services on the Saltire Cross route group (the SLC) with the adverse effects of prices in excess of those that would otherwise prevail, and lower service levels than would otherwise prevail, in the supply of scheduled coach services on the Saltire Cross route group (the adverse effects);
  - (c) the CC should take action to remedy the SLC and the adverse effects flowing from it; and
  - (d) to that end undertakings should be offered and accepted to give effect to the remedies identified by the CC in paragraph 8.61 of the report in accordance with the provisions of part 8 of the report.
3. The CC has now reached agreement with Stagecoach, Braddell and Scottish Citylink as to the terms of such undertakings, and the undertakings are annexed to this notice.
4. The CC now gives notice of the undertakings and invites written representations on them from any person or persons who wish to comment. Representations should reach the CC by 14 February 2007 and will be published on the CC website.
5. In the absence of any written representations, the CC proposes to accept the undertakings in their present form. Should there be written representations that are not withdrawn, the CC will consider them. If the CC considers that any such representation necessitates a modification of either or both of the undertakings, the CC will give notice of the proposed modification.
6. Undertakings accepted by the CC may be varied, superseded or released by the CC in accordance with section 82(2) of the Act.
7. Comments on the undertakings should be provided to the CC in writing by 14 February 2007 and should be addressed to: Anne Jolly, Inquiry Secretary

(Scottish Citylink), Competition Commission, Victoria House, Southampton Row,  
London WC1B 4AD or by email to [anne.jolly@cc.gsi.gov.uk](mailto:anne.jolly@cc.gsi.gov.uk).

John Baillie  
*Group Chairman*  
31 January 2007