

Mr M Davey
Competition Commission
Victoria House
Southampton Row
London
WC1B 4AD

08 February 2007

Dear Mr Davey

Megabus / Scottish Citylink Joint Venture Competition Commission – Public Consultation on Draft Undertakings

Thank you for contacting me to advise that the Competition Commission has begun public consultation on draft undertakings to give effect to your decision that requires the Megabus/Scottish Citylink Joint Venture to divest some services on the Saltire Cross network to a new and independent owner.

The Highlands and Islands Transport Partnership (HITRANS) previously responded to your consultation on this divestment in December 2006. In considering this judgement it was our considered opinion that divestment was an ill thought out conclusion and instead we asked that the Competition Commission reconsider this ruling.

Divestment can only lead to a substantial loss of service to passengers. Connections will be lost throughout the Highlands and Islands for onward travel on those services that are affected by the ruling. As competition grows it seems inevitable that the lucrative end to end market will be pursued by both operators at a cost to the socially necessary services which currently stop at communities along the route, particularly in Badenoch and Strathspey. As the regional transport partnership for this area HITRANS cannot agree to support a measure that will socially exclude our communities.

In the period since our original submission we have not been reassured that divestment will benefit passengers. It would be much more sensible to agree behavioural undertakings with the Joint Venture operator to allow passengers to retain the substantial benefits that have been delivered in terms of service quality, frequency and price since Megabus and Scottish Citylink started working together on the Saltire Cross network. Therefore I urge you to reconsider the decision to force through a divestment in respect of some Scottish Citylink services and follow our suggestion of behavioural undertakings instead.

Yours sincerely



Ranald Robertson
Transport Development Officer