

COMPLETED ACQUISITION BY RAILWAY INVESTMENTS LIMITED (A WHOLLY OWNED SUBSIDIARY OF ENGLISH WELSH & SCOTTISH RAILWAY HOLDINGS LIMITED) OF MARCROFT HOLDINGS LIMITED AND ITS WHOLLY OWNED SUBSIDIARY MARCROFT ENGINEERING LIMITED

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 CC") 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 that:

(i) enterprises carried on by or under the control of English Welsh & Scottish Railway Holdings Limited have ceased to be distinct from enterprises carried on by or under the control of Marcroft Holdings Limited and its wholly owned subsidiary Marcroft Engineering Limited; and

(ii) as a result, the condition specified in section 23(4) of the Act will prevail to a greater extent, with respect to the supply in the United Kingdom of in-field rail freight wagon maintenance services; 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 in the United Kingdom of in-field rail freight wagon maintenance services.

2. Now, therefore, the OFT, in exercise of its duty under section 22 of the Act, hereby refers to the CC, for investigation and report within a period ending on 24 July 2006, the following questions in accordance with section 35 of the Act-

(a) whether a relevant merger situation has been created as described in paragraph 1 above; 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 of Competition Enforcement
Office of Fair Trading
6 February 2006