

our ref BMCG/L844/1243  
your ref  
ddi  
e-mail

Ms Julie Hawes (Airport Inquiries Coordinator)  
Competition Commission  
Victoria House  
Southampton Row  
London  
WC1B 4AD

26 April 2007

**By hand**

Dear Ms Hawes

**Airports Inquiries**

We act for Legal & General Assurance Society Limited ('L&G') which, together with Hines UK Limited ('Hines'), provided evidence to the Office of Fair Trading in the context of its market study of UK airports. While we anticipate that the OFT may have provided you with a copy of L&G and Hines' submission, following its decision to refer this matter for a full market investigation, we thought that it may be helpful also to send you a copy direct. This is enclosed, together with a non-confidential version of the paper.

We note from the OFT's reasons for referring the market to the Competition Commission, that the OFT left it to the Competition Commission to decide whether to examine the issues raised by L&G and Hines in greater depth.<sup>1</sup> We also note that the provision (including development) of airport infrastructure services and associated commercial services, including activities relating to commercial property, fall within the scope of the reference and that the issues raised in the parties' submission to the OFT go to the heart of how the BAA manages its estate and contribute to the distortion of competition arising from BAA's market position. As a result, we would urge the Competition Commission to examine BAA's development activities, and the role of BAA Lynton in particular, as part of its inquiry.

Both L&G and Hines would be happy to provide further evidence to the Competition Commission or to assist in any other way with its inquiry.

Yours sincerely

**Becket McGrath**

Enc.

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<sup>1</sup> See pages 122 to 125 of OFT912 - BAA - *The OFT's reference to the Competition Commission* - April 2007