

**HOSPEDIA GROUP LIMITED/PREMIER TELESOLUTIONS LIMITED
MERGER INQUIRY**

Cancellation of merger reference

The Competition Commission (CC) has cancelled the reference concerning the proposed acquisition by Hospedia Limited (now Hospedia Group Limited) (Hospedia) of enterprises carried on by or under the control of Premier Telesolutions Limited (Premier).

The reference was made to the CC on 7 October 2008 by the Office of Fair Trading under section 33 of the Enterprise Act 2002. The terms of reference required the CC to examine:

- (a) whether arrangements were in progress or in contemplation which, if carried into effect, would result in the creation of a relevant merger situation; and
- (b) if so, whether the creation of that situation may be expected to result in a substantial lessening of competition in relation to the supply of free-managed patient bedside entertainment and communications systems (BECS) to NHS hospitals in the UK.

The CC has received assurances from Hospedia and Premier that the proposed acquisition by Hospedia of the enterprises carried on by Premier has been abandoned, along with a copy of a letter from Hospedia dated 22 October terminating the agreement for purchase of the enterprises of Premier. The Chairman of the CC, Peter Freeman, having had regard to those assurances, is satisfied that Hospedia and Premier have, within the terms of section 37(1) of the Enterprise Act 2002, abandoned the proposal to make arrangements of the kind mentioned in the reference. The Chairman has consequently cancelled the reference in accordance with his powers under Schedule 7 to the Competition Act 1998.

This cancellation is published in accordance with requirements laid down by sections 107(2)(a) and 107(4) of the Enterprise Act 2002.

30 October 2008