



News Release

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GREIF/BLAGDEN MERGER INQUIRY

Statement of issues

The Competition Commission (CC) has today published an issues statement as part of its inquiry into the completed acquisition by various subsidiaries of Greif Inc (Greif) of the large steel drum and closures manufacturing business of Blagden Packaging Group (Blagden).

The CC has been asked to decide whether the acquisition may be expected to result in a substantial lessening of competition in any market for goods or services within the UK. The merger brings together the two biggest large steel drum manufacturers in the UK.

The issues statement follows the initial process of gathering information, views and evidence and identifies clearly for all interested parties the specific questions and areas the inquiry is examining. This will form the basis for hearings with Greif Inc and other interested parties.

The full issues statement is available on the CC website at <http://www.competition-commission.org.uk/inquiries/ref2007/blagden/index.htm>. It examines issues such as:

- (a) market definition;
- (b) the counterfactual: ie, what would have happened in the absence of the merger; and
- (c) the competitive effects of the merger.

If the inquiry group (the Group) considers that the merger may be expected to result in a substantial lessening of competition, it will consider whether and, if so, what remedies might be appropriate, taking into account any customer benefits that might arise from the acquisition, and will issue any remedies statement, should this be required, at about the time it publishes its provisional findings.

The issues statement should not be seen as implying that the Group has identified any competition concerns—the CC has yet to reach any conclusions on this inquiry. The purpose of making the statement of issues public is to inform all interested parties and give them an opportunity to raise any further points with the CC.

Anyone wishing to comment further on any of the issues raised is requested to do so by Monday 2 April 2007 by email to GreifBlagden@cc.gsi.gov.uk or in writing to:

Inquiry Secretary (Greif/Blagden Inquiry)
Victoria House
Southampton Row
London
WC1B 4AD

The CC will now continue to gather evidence in this inquiry and will publish its provisional findings according to the administrative timetable available on the CC website.

Notes for editors

1. The Enterprise Act 2002 empowers the OFT to refer to the CC completed or proposed mergers for investigation and report which create or enhance a 25 per cent share of supply in the UK (or a substantial part thereof) or where the UK turnover associated with the enterprise being acquired is over £70 million.
2. The Greif/Blagden Group consists of four members: Diana Guy (Group Chairman), Jeremy Peat, Professor Mahendra Raj and Jonathan Whiticar.
3. The CC has a 24-week period in which it is required to publish its report, which may be extended by no more than eight weeks if it considers that there are special reasons why the report cannot be published within that period. It is required to report by 6 August 2007.
4. Further information on the CC and its procedures, including its policy on the provision of information and the disclosure of evidence, can be obtained from its website at: www.competition-commission.org.uk.
5. Enquiries should be directed to Siobhan Allen on 020 7271 0242 (email siobhan.allen@cc.gsi.gov.uk).