



# News Release

26/08

16 September 2008

## **BOC/INEOS MERGER**

The Competition Commission (CC) has provisionally concluded that the anticipated acquisition by BOC Limited (BOC) of the chlorine packaging and distribution business of Ineos Chlor Limited (Ineos) could damage competition in the markets for the distribution of packaged chlorine in cylinders and in drums in the UK. The principal use of packaged chlorine is by the UK water industry for water disinfection.

Diana Guy, Inquiry Group Chairman, commented:

We found that the proposed merger would reduce the number of competing distributors and would end the rivalry between BOC and Ineos Chlor, which are currently each other's closest competitors in these markets. We did not think that entry by new companies, expansion of other players in the market, imports or any buyer power held by BOC or Ineos Chlor's customers would be sufficient to prevent BOC increasing prices and/or reducing service levels following the merger.

A summary of the provisional findings report has been published at [www.competition-commission.org.uk](http://www.competition-commission.org.uk) together with a notice of possible remedies to address the competition concerns. The full report will be published shortly.

The CC is required to publish its final report by 12 November 2008.

The CC would like to hear from all interested parties about the provisional findings report or the notice of possible remedies, in writing, by 7 October 2008. To submit evidence, please email [John.Doyle@cc.gsi.gov.uk](mailto:John.Doyle@cc.gsi.gov.uk) or write to:

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## 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 BOC/Ineos inquiry group consists of four members: Diana Guy (Group Chairman), Jill Hill, Alexander Johnston and Professor Michael Waterson.
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 12 November 2008.
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](http://www.competition-commission.org.uk).
5. Enquiries should be directed to Siobhan Allen on 020 7271 0242 (email [siobhan.allen@cc.gsi.gov.uk](mailto:siobhan.allen@cc.gsi.gov.uk)).