

16 September 2002

Dear

**CONSULTATION ON COMPETITION COMMISSION'S PUBLICATIONS REQUIRED BY THE ENTERPRISE BILL**

1. I am writing to invite you to comment on a number of consultative documents which the Competition Commission is required to publish under the Enterprise Bill. Written responses are requested by **Tuesday 10 December 2002.**

2. I enclose the five consultation documents:

- The Competition Commission Rules of Procedure
- Merger References: Competition Commission Guidelines (the merger guidelines)
- Market Investigation References: Competition Commission Guidelines (the market guidelines)
- General Advice and Information Guidance
- Statement of Policy on Penalties.

3. These documents explain the role of the Commission, its procedures and methodology under the provisions of the Enterprise Bill (HL BILL 112 as amended in the House of Lords Committee). The main changes introduced by the Bill are:

- the Commission will become an independent decision-maker in its own right;
- it will become responsible for deciding, on the basis of new competition-based tests
  - whether there is a substantial lessening of competition (in the case of a merger reference)
  - whether any feature of a market prevents, restricts or distorts competition (in the case of a market reference);
- it will also decide what action should be taken to remedy a substantial lessening of competition and any adverse effect arising from it (mergers) and any adverse effect on competition or any detrimental effect on customers (markets);

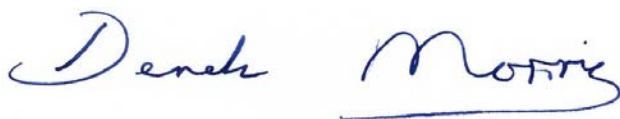
- it will become more transparent in its operations e.g. by publishing guidance and by consulting parties about proposed decisions that could be regarded as adverse to a party (mergers) or as likely to have a substantial impact on them (markets); and
  - its decisions will be open to scrutiny, on judicial review grounds, by the Competition Appeal Tribunal, which will be a separate judicial body and no longer be part of the Commission.
4. General comments on all the documents are invited. All responses should be in writing to:

Susan Maunsell  
Competition Commission  
New Court  
48 Carey Street  
London WC2A 2JY  
Or via email to [enterprisebill@competition-commission.gsi.gov.uk](mailto:enterprisebill@competition-commission.gsi.gov.uk).

If you would find it helpful to discuss any of the issues raised, we would be pleased to do so. In the first instance please contact Susan Maunsell on 020 7271 0448, email [susan.maunsell@competition-commission.gsi.gov.uk](mailto:susan.maunsell@competition-commission.gsi.gov.uk) or Clare Gallimore on 020 7271 0415 or email [clare.gallimore@competition-commission.gsi.gov.uk](mailto:clare.gallimore@competition-commission.gsi.gov.uk).

5. This letter, electronic copies of the guidance documents and a list of those consulted are also available on line at [www.competition-commission.org.uk](http://www.competition-commission.org.uk).
6. We may make responses publicly available unless they are clearly marked confidential. If you do not wish your response or parts of it to be made public you should therefore indicate this clearly. The Commission intends to publish a statement on its response to the comments received as part of this consultation exercise: this statement will be available on the Commission's website at the beginning of February 2003. It will include the names of those persons or bodies who commented.
7. Representative bodies responding to this consultation are asked to supply a brief summary of the people and organisations they represent, where appropriate.
8. Respondents should note that, subject to the Enterprise Bill receiving Royal Assent before the end of the current parliamentary session, and no substantive change being made to relevant clauses, this consultation will be treated as statutory consultation for the purposes of the Act. All the consultation documents are conditional on the Bill being enacted.

Yours sincerely

A handwritten signature in blue ink, appearing to read "Denis Morris". The signature is written in a cursive style with a long horizontal line underneath the name.