



News Release

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INQUIRY INTO THE ANTICIPATED ACQUISITION BY BRITTANY FERRIES OF P&O'S PORTSMOUTH TO LE HAVRE SERVICE

Statement of issues

The Competition Commission (CC) has today published an issues statement as part of its inquiry into the anticipated acquisition by Brittany Ferries (Bretagne-Angleterre-Irlande S.A.) of certain assets used by P&O Ferries on its Portsmouth to Le Havre ferry route.

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 will be examining. These will form the basis of hearings with Brittany Ferries, P&O Ferries and third parties.

The full issues statement is available at the CC web site: www.competition-commission.org.uk/inquiries/current/bai/index.htm and raises issues concerning:

- (a) market definition;
- (b) what would be likely to happen in the absence of the anticipated acquisition;
- (c) assessment of the competitive effects of the anticipated acquisition; and
- (d) customer benefits that might arise as a result of the anticipated acquisition.

The inquiry was referred by the Office of Fair Trading (OFT) on 7 December 2004 and the CC is seeking to establish whether the proposed acquisition may be expected to result in a substantial lessening of competition within the market or markets for the supply of ferry services to freight and passenger customers.

If the CC finds that the proposed acquisition may be expected to result in a substantial lessening of competition, it will consider whether, and if so what, remedies might be appropriate and will issue a further statement at a later date. The CC is required to publish its final report by 23 May 2005.

The CC has yet to reach any conclusions, and will not do so until it has discussed these issues with Brittany Ferries and P&O Ferries. 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. Further information about the reference is available on the CC web site at: www.competition-commission.org.uk/inquiries/current/bai/index.htm.

Anyone wishing to comment on any of the issues set out below is requested to do so by 8 February 2005 in writing to:

Anne Jolly, Inquiry Secretary (Brittany Ferries/P&O merger inquiry)
Competition Commission
Victoria House
Southampton Row
LONDON
WC1B 4AD

Or email: anne.jolly@competition-commission.gsi.gov.uk.

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 web site.

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 (see OFT Press Release PN 203/04).
2. The Brittany Ferries/P&O Ferries inquiry group (the Group) consists of five members: CC Deputy Chairman Christopher Clarke (Group Chairman), Professor John Baillie, Dr John Collings, Richard Holyroyd and Dame Barbara Mills, supported by the CC's staff.
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.
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 web site at www.competition-commission.org.uk.
5. Enquiries should be directed to Francis Royle on 020 7271 0242 (email francis.royle@competition-commission.gsi.gov.uk) or Rory Taylor on 020 7271 0398 (email rory.taylor@competition-commission.gsi.gov.uk).