

**From:** Simon Russell  
**Sent:** 04 October 2011 09:07  
**To:** John Doyle  
**Subject:** RE: Anglo/Lafarge merger inquiry: questionnaire to Leiths

Good morning John,

Thank you for your mail.

As I stated to Cynthia Owusu of the OFT in my note to her of the 7<sup>th</sup> June 2011, (copy attached) the potential merger of Lafarge and Tarmac has no direct effect on Leiths business in Scotland.

The only area where these two businesses come together is in the Glasgow readymixed concrete arena. Leiths has no presence in this market.

Lafarge has no interests in aggregates or asphalt production in Scotland, and as such, the merger would have no direct effect on our business.

However, as you will see in the attached e-mail, I do have a general concern with regard to the UK market as a whole. These observations are born out of a lifetimes career in the UK construction materials industry, in a number of executive positions and latterly as the CEO of the Leiths Group in Aberdeen.

It is my belief that it is unhealthy for 85%+ of the UK construction materials industry to be in the ownership of just 4 global operators should this merger go ahead. I am unsure if the proposed merger creates a dominant position by Tarmac/Lafarge, but I believe the issue deserves the investigation that you are currently engaged upon.

The fact that these four companies are global cement "players" and could be in a position to exert tremendous pressure on the UK construction materials industry, and readymixed concrete in particular, is the subject of the OFT's wider investigation into aggregates. This has resulted in their proposed decision to make a market investigation reference, which I personally applaud.

At the very least, I would have expected the CC to defer any decision on the proposed Anglo/Lafarge merger until such time as this investigation has been completed.

Kind regards,

Simon

**Simon Russell**

Chief Executive

Leiths (Scotland) Ltd

Rigifa

Cove

ABERDEEN AB12 3LR



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