

NATIONAL MILK RECORDS PLC/CATTLE INFORMATION SERVICES LTD**Cancellation of merger reference**

The Competition Commission (CC) has today cancelled the reference concerning the proposed acquisition by National Milk Records Plc of the milk recording business of The Cattle Information Services (a wholly-owned subsidiary of Holstein UK).

The CC has received assurances from both National Milk Records Plc and Holstein UK that the proposed acquisition has been abandoned as the parties no longer wish to pursue the transaction.

The Chairman of the CC, Sir Derek Morris, having had regard to those assurances, is satisfied that National Milk Records Plc has, within the terms of section 37(1) of the Enterprise Act 2002, abandoned the proposal to make arrangements of the kind mentioned in the reference. The Chairman has consequently cancelled the reference in accordance with his powers under Schedule 7 to the Competition Act 1998.

The reference was made to the CC on 3 March by the Office of Fair Trading under section 33 of the Enterprise Act 2002. The terms of reference required the CC to examine:

- (a) whether arrangements are in progress or in contemplation which, if carried into effect, will result in the creation of a relevant merger situation; and
- (b) if so, whether the creation of that situation may be expected to result in a substantial lessening of competition within any market or markets in the UK.

This cancellation is published in accordance with requirements laid down by sections 107(2)(a) and 107(4) of the Enterprise Act 2002.

Notes to editors

1. The reference was made by the Office of Fair Trading (see OFT news release 37/04 of 3 March 2004). It has been cancelled in accordance with the provisions of section 37(1) of the Enterprise Act 2002.
2. The CC is under a duty under section 37(1) to cancel a reference if it is satisfied that the parties have abandoned arrangements for an acquisition of the kind mentioned in the reference. Under paragraph 15(8) of Schedule 7 to the Competition Act 1998, the Chairman of the CC, Sir Derek Morris, may exercise the powers conferred by section 37(1) of the Enterprise Act 2002 to cancel a reference while an inquiry group is being constituted or before it has held its first meeting.
3. Enquiries should be directed to Francis Royle, Press Officer, tel 020 7271 0242, or Rory Taylor, Press Office, on 020 7271 0398.