



News Release

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CC CONFIRMS CLEARANCE OF NEG/GREATER ANGLIA RAIL FRANCHISE

The Competition Commission (CC) has formally cleared the acquisition by National Express Group plc (NEG) of the Greater Anglia rail franchise which was referred to the CC by the Office of Fair Trading (OFT) on 27 May 2004 for investigation and report. After conducting two surveys of users and an analysis of the potential profit incentives of NEG post the merger, the CC has concluded that the acquisition of the Greater Anglia rail franchise will not lead to a substantial lessening of competition.

This confirms the conclusion of the provisional findings report, which was published on 17 September 2004.

For more details please see earlier news release dated 17 September 2004 available on the CC's web site at: www.competition-commission.org.uk/press_rel/latest/2004/sep/index.htm.

Where a company acquires a rail franchise previously held by a different operator, the acquisition is treated as a merger for the purposes of the Enterprise Act 2002. Therefore the award by the Strategic Rail Authority (SRA) to NEG of the Greater Anglia rail franchise is treated as a merger. The CC had no power to investigate the prior decision by the SRA relating to creation of the Greater Anglia rail franchise (through the integration of the former Anglia and Great Eastern franchises and parts of the WAGN franchise).

The CC's findings are set out in its final report which is published on its web site—www.competition-commission.org.uk.

Notes for editors

1. The NEG/Greater Anglia Inquiry Group consisted of five members—Professor Paul Geroski (Chairman of the CC), Sarah Brown, Chris Darke, Diana Guy and Peter Stoddart—supported by the CC's staff.
2. The Enterprise Act 2002 (the Act) empowers the OFT to refer to the CC completed or proposed mergers, either where the merger creates or enhances 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.

3. The Act requires the CC to consult the main parties on its proposed decisions and the CC will also publish notices of its provisional findings and possible remedies on its web site as required by its rules.
4. Enquiries should be directed to Francis Royle, Chief Press Officer, 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).
5. Further information on the CC and its procedures, including its policy on the provision of information and the disclosure of evidence and merger references can be obtained from its web site at: www.competition-commission.org.uk.