1. In exercise of its duty under section 22(1) of the Enterprise Act 2002 (‘the Act’) to make a reference to the Competition Commission (‘the CC’) in relation to a completed merger, the Office of Fair Trading (‘the OFT’) believes that it is or may be the case that –

(a) a relevant merger situation has been created in that:

(i) enterprises carried on by or under the control of Ryanair Holdings plc (Ryanair) have ceased to be distinct from enterprises previously carried on by or under the control of Aer Lingus Group plc (Aer Lingus); and

(ii) as a result, the conditions specified in section 23(4) of the Act will prevail, or will prevail to a greater extent, with respect to the supply of scheduled airline services between the UK and the Republic of Ireland measured by number of passengers;

(b) the creation of that situation has resulted or may be expected to result in a substantial lessening of competition within any market or markets in the UK for goods or services, including the provision of scheduled airline services on a number of direct routes between cities in the UK and cities in Ireland where either:

(i) Ryanair and Aer Lingus overlap in the provision of services (these routes being: Manchester (Liverpool) – Dublin; Birmingham (East Midlands) – Dublin; London – Cork; London – Shannon; London – Knock; and London – Dublin); or

(ii) Ryanair operates on the route and Aer Lingus is a potential entrant onto the route (these routes being: Dublin – Newcastle and Knock – Bristol).

2. Therefore, in exercise of its duty under section 22(1) of the Act, the OFT hereby refers to the CC, for investigation and report within a period ending on 29 November 2012, on the following questions in accordance with section 35(1) of the Act –

(a) whether a relevant merger situation has been created; and
(b) if so, whether the creation of that situation has resulted or may be expected to result, in a substantial lessening of competition within any market or markets in the UK for goods or services.

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15 June 2012