News Release

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OFT REFERS AGGREGATES, CEMENT AND READY-MIX CONCRETE MARKETS TO CC

Competition Commission invites evidence

The Office of Fair Trading (OFT) has announced today its decision to refer the market for the supply of aggregates, cement and ready-mix concrete markets in Great Britain to the Competition Commission (CC) for investigation.

The CC will now carry out its own comprehensive investigation, to see if there are any features of these markets which prevent, restrict or distort competition and, if so, what action might be taken to remedy them. The OFT decided against referring the markets in Northern Ireland for investigation.

The CC is required to report by 17 January 2014, although it will aim to complete the investigation in a shorter period.

The CC will shortly appoint members to its inquiry group and publish a timetable setting out a schedule for the various stages of the investigation. As well as analysing the OFT’s work so far, the CC is also inviting initial submissions from all interested parties before it formally sets out the scope of the investigation in an issues statement.

Any interested party is invited to provide the CC with a summary of its views, to assist the CC in identifying the key issues, to be received by 17 February 2012.

To submit evidence, please email aggregates@cc.gsi.gov.uk or write to:

Inquiry Manager
Aggregates Investigation
Competition Commission
Victoria House
Southampton Row
LONDON
WC1B 4AD
Notes for editors

1. The CC is an independent public body, which carries out investigations into mergers, markets and the regulated industries.

2. Under the Enterprise Act 2002, the OFT can make a market investigation reference to the CC if it has reasonable grounds for suspecting that competition for the supply or acquisition of certain goods or services is not working effectively.

3. In its inquiry, the CC is required to decide whether 'any feature, or combination of features, of each relevant market prevents, restricts or distorts competition in connection with the supply or acquisition of any goods or services in the United Kingdom or a part of the United Kingdom'. If so, then there is an adverse effect on competition and the CC will also consider whether this is resulting in a detrimental effect on customers such as higher prices, lower quality or less choice of goods or services. The CC will then decide whether the CC should introduce remedies to tackle the adverse effect on competition or detrimental effect on customers or whether the CC should recommend action be taken by other bodies to remedy the adverse effects on competition, and if so, what actions or remedies should be taken. If the CC finds that there is no adverse effect on competition, the question of remedies will not arise.

4. The Enterprise Act 2002 requires the CC to consult the main parties on its proposed decisions and it will also publish notice of its provisional findings on the CC website as required by its rules. Full details on the CC’s guidelines for market investigation references are available on the CC website: www.competition-commission.org.uk/rep_pub/rules_and_guide/pdf/cc3.pdf.

5. Enquiries should be directed to Rory Taylor or Siobhan Allen or by ringing 020 7271 0242.