

## COMPETITION AND MARKETS AUTHORITY

### Acquisition by Information Resources Inc. of Aztec Group

#### Initial Enforcement Order made by the Competition and Markets Authority pursuant to section 72(2) of the Enterprise Act 2002 (the Act)

Whereas:

- (a) the Competition and Markets Authority (CMA) has reasonable grounds for suspecting that it is the case that Information Resources Inc. (IRI) and Aztec Group (Aztec) have ceased to be distinct
- (b) the CMA is considering, pursuant to section 22 of the Act, whether it is or may be the case that a relevant merger situation has been created and whether the creation of that situation has resulted or may be expected to result in a substantial lessening of competition in any market or markets in the United Kingdom (UK)
- (c) the CMA wishes to ensure that no action is taken pending final determination of any reference under section 22 of the Act which might prejudice that reference or impede the taking of any action by the CMA under Part 3 of the Act which might be justified by the CMA's decisions on the reference, and
- (d) the circumstances set out in section 72(6) of the Act do not apply and the reference has not been finally determined in accordance with section 79(1) of the Act.

Now for the purposes of preventing pre-emptive action in accordance with section 72(2) of the Act the CMA makes the following order addressed to Information Resources, Inc., Information Resources (UK) Limited, and Aztec Information Services Holdings Limited (the Order).

#### **Title, commencement, application and scope**

1. This Order commences on the commencement date: 1 August 2014.
2. This Order applies to Information Resources, Inc., Information Resources (UK) Limited, and Aztec Information Services Holdings Limited.
3. Notwithstanding any other provision of this Order, no act or omission shall

constitute a breach of this Order, and nothing in this Order shall oblige IRI to reverse any act or omission, in each case to the extent that it occurred or was completed prior to the commencement date.

#### **Management of the IRI and Aztec business until determination of proceedings**

4. Except with the prior written consent of the CMA, IRI shall not, during the specified period, take any action which might prejudice a reference of the transaction under section 22 of the Act or impede the taking of any action under the Act by the CMA which may be justified by the CMA's decisions on such a reference, including any action which might lead to the further integration of the Aztec business with the IRI business.
5. Further and without prejudice to the generality of paragraph 4 and subject to paragraph 3, IRI shall at all times during the specified period procure that, except with the prior written consent of the CMA:
  - (a) Aztec's separate sales or brand identity is maintained
  - (b) except in the ordinary course of business, no substantive changes are made to the organisational structure of, or the management responsibilities within, the Aztec business or the IRI business
  - (c) the nature, description, range and quality of services supplied in the UK by each of the two businesses are maintained and preserved
  - (d) all existing contracts of the Aztec business and the IRI business continue to be serviced by the business to which they were awarded
  - (e) no changes are made to key staff of the Aztec business or IRI business
  - (f) no key staff are transferred between the Aztec business and the IRI business
  - (g) all reasonable steps are taken to encourage all key staff to remain with the Aztec business and the IRI business, and
  - (h) no business secrets, know-how, commercially-sensitive information, intellectual property or any other information of a confidential or proprietary nature relating to either of the two businesses shall pass, directly or indirectly, from Aztec (or any of its employees, directors, agents or affiliates) to IRI (or any of its employees, directors, agents or affiliates), or vice versa, except where strictly necessary in the ordinary course of business (for example, where required for compliance with external regulatory and/or accounting obligations) and on the basis that, should the merger be prohibited, any records or copies (electronic or otherwise) of

such information that have passed, wherever they may be held, will be returned to the business to which they relate and any copies destroyed.

## Compliance

6. IRI shall procure that each of its subsidiaries complies with this Order as if the Order had been issued to each of them.
7. At all times, IRI shall, or shall procure that Aztec shall, actively keep the CMA informed of any material developments relating to the Aztec business or the IRI business, which includes but is not limited to:
  - (a) details of key staff who leave or join the Aztec business or the IRI business
  - (b) any interruption of the Aztec or IRI business (including without limitation its procurement, production, logistics, sales and employee relations arrangements) that has prevented it from operating in the ordinary course of business for more than 24 hours
  - (c) all substantial customer volumes won or lost or substantial changes to the customer contracts for the Aztec or IRI business including any substantial changes in customers' demand, and
  - (d) substantial changes in the Aztec or IRI businesses' contractual arrangements or relationships with key suppliers.
8. If IRI has any reason to suspect that this Order might have been breached it shall immediately notify the CMA and any monitoring trustee that IRI may be directed to appoint under paragraph 9.
9. The CMA may give directions to a specified person or to a holder of a specified office in any body of persons (corporate or unincorporated) to take specified steps for the purpose of carrying out, or ensuring compliance with, this Order, or do or refrain from doing any specified action in order to ensure compliance with the Order. The CMA may vary or revoke any directions so given.
10. IRI shall comply in so far as it is able with such directions as the CMA may from time to time give to take such steps as may be specified or described in the directions for the purpose of carrying out or securing compliance with this Order.

## Interpretation

11. The Interpretation Act 1978 shall apply to this Order as it does to Acts of Parliament.

12. For the purposes of this Order:

**'the Act'** means the Enterprise Act 2002

**'an affiliate'** of a person is another person who satisfies the following condition, namely that any enterprise (which, in this context, has the meaning given in section 129(1) of the Act) that the first person carries on from time to time and any enterprise that the second person carries on from time to time would be regarded as being under common control for the purposes of section 26 of the Act

**'Aztec'** means Aztec Group, including Litmus MR Limited and SalesOut Limited

**'the Aztec business'** means the business of Aztec and its subsidiaries carried on as at the commencement date

**'business'** has the meaning given by section 129(1) and (3) of the Act

**'commencement date'** means 1 August 2014

**'control'** includes the ability directly or indirectly to control or materially to influence the policy of a body corporate or the policy of any person in carrying on an enterprise

**'the decisions'** means the decisions of the CMA on the questions which it is required to answer by virtue of section 35 of the Act

**'IRI'** means Information Resources Inc. and Information Resources (UK) Limited

**'the IRI Business'** means the business of IRI and its subsidiaries carried on as at the commencement date

**'key staff'** means staff in positions of executive or managerial responsibility and/or whose performance affects the viability of the business

**'the ordinary course of business'** means matters connected to the day to day supply of services by Aztec or IRI and does not include matters involving significant changes to the organisational structure or related to the post-merger integration of Aztec and IRI

**'specified period'** means the period beginning on the commencement date

and terminating in accordance with sections 72(4) and 72(6) of the Act

**'subsidiary'**, unless otherwise stated, has the meaning given by section 1159 of the Companies Act 2006

**'the transaction'** means the transaction by which IRI and Aztec have ceased to be distinct within the meaning of section 23 of the Act

**'the two businesses'** means the IRI business and the Aztec business and

unless the context requires otherwise, the singular shall include the plural and vice versa.

## ANNEX

### Compliance statement for IRI

I [insert name] confirm on behalf of IRI that:

#### Compliance in the Relevant Period

1. In the period from [insert date] to [insert date] (the Relevant Period):
  - (a) IRI has complied with the Order made by the CMA in relation to the transaction on 1 August 2014 (the Order).
  - (b) IRI 's subsidiaries have also complied with this Order.
2. Subject to paragraph 3 of the Order, and except with the prior written consent of the CMA:
  - (a) No action has been taken by IRI that might prejudice a reference of the transaction under section 22 of the Act or impede the taking of any action by the CMA which may be justified by its decision on such a reference, including any action which might:
    - (i) lead to the integration of the Aztec business with the IRI business
    - (ii) transfer the ownership or control of the IRI business or the Aztec business or any of its subsidiaries, or
    - (iii) otherwise impair the ability of the Aztec business or the IRI business to compete independently in any of the markets affected by the transaction.
  - (b) The Aztec business and the IRI business have been maintained as a going concern and sufficient resources have been made available for the development of the Aztec business and the IRI business, on the basis of their pre-merger business plans.
  - (c) No changes have been made to the organisational structure of, or the management responsibilities within, the Aztec business or the IRI business, except in the ordinary course of business.
  - (d) The nature, description, range and quality of services supplied in the UK by the Aztec business and the IRI business have been maintained and preserved.

- (e) Except in the ordinary course of business for the separate operation of the two businesses:
  - (i) all of the assets of the Aztec business and the IRI business, including facilities and goodwill, have been maintained and preserved as at the start of the Relevant Period
  - (ii) none of the assets of the Aztec business or the IRI business have been disposed of, and
  - (iii) no interest in the assets of the Aztec business or the IRI business has been created or disposed of
- (f) There has been no integration of the information technology of the Aztec or IRI businesses, and the software and hardware platforms of the Aztec business have remained essentially unchanged, except for routine changes and maintenance.
- (g) Subject to integration which had occurred prior to the commencement date, the customer and supplier lists of the two businesses have been operated and updated separately and any negotiations with any existing or potential customers and/or suppliers in relation to the Aztec business have been carried out by the Aztec business alone and, for the avoidance of doubt, IRI has not negotiated on behalf of Aztec (and vice versa) or entered into any joint agreements with Aztec (and vice versa).
- (h) All existing contracts of the Aztec business and the IRI business have been serviced by the business to which they were awarded, except to the extent novated, assigned or subcontracted prior to the commencement date.
- (i) No changes have been made to key staff of the Aztec business or the IRI business.
- (j) No key staff have been transferred between the Aztec business and the IRI business.
- (k) All reasonable steps have been taken to encourage all key staff to remain with the Aztec business and the IRI business.
- (l) Except as permitted by the Order, no business secrets, know-how, commercially-sensitive information, intellectual property or any other information of a confidential or proprietary nature relating to either of the two businesses, has passed, directly or indirectly, from Aztec (or any of its employees, directors, agents or affiliates) to IRI (or any of its employees,

directors, agents or affiliates), or vice versa.

(m) Except as listed in paragraph (n) below, there have been no:

- (i) key staff that have left or joined the Aztec business or the IRI business
- (ii) interruptions of Aztec business or the IRI business (including without limitation procurement, production, logistics, sales and employee relations arrangements) that have prevented it from operating in the ordinary course of business for more than 24 hours
- (iii) substantial customer volumes won or lost or substantial changes to the customer contracts for the Aztec business or the IRI business, or
- (iv) substantial changes in the Aztec or IRI businesses' contractual arrangements or relationships with key suppliers

(n) *[list of material developments]*

3. IRI and its subsidiaries remain in full compliance with the Order and will, or will procure that Y, continue actively to keep the CMA informed of any material developments relating to the Aztec or the IRI business in accordance with paragraph 7 of the Order.

**Interpretation**

4. Terms defined in the Order have the same meaning in this compliance statement.

FOR AND ON BEHALF OF IRI

Signature .....

Name .....

Title .....

Date .....