

Completed acquisition by CitySprint (UK) Limited of the courier business of Lewis Day Transport plc

ME/5305/11

The OFT's decision on reference under section 23 given on 25 January 2012. Full text of decision published 1 February 2012.

PARTIES

1. **CitySprint (UK) Limited** (CitySprint) is active in the supply of courier services offering same day and overnight courier services within the UK, overnight international parcel delivery services and same day logistical services.
2. **Lewis Day Transport plc** (Lewis Day) is active in the supply of courier services offering same day and overnight courier services within the UK, overnight international parcel delivery services. Lewis Day also operates a passenger car service but this is not a part of the transaction.

TRANSACTION

3. On 28 November 2011 CitySprint acquired the courier operations of Lewis Day from Addison Lee plc which had acquired the Lewis Day courier and private hire passenger car businesses of Lewis Day.

JURISDICTION

4. The UK turnover of the Lewis Day courier business for the financial year ended 31 December 2010 was around £17 million.¹ Therefore, the turnover test set out in section 23 of the Enterprise Act 2002 (the Act) is not met in this case.
5. The parties submitted that they overlap in:

¹ Most recent audited accounts available.

- same day courier services in the UK
 - overnight parcel delivery services in the UK, and
 - international parcel delivery services.
6. The parties submitted that for same day courier services in the UK they would together account for less than 10 per cent share of supply. When considered on the basis of same day courier services in London, the parties submitted that they would account for less than 15 per cent share of supply.
 7. For overnight delivery services in the UK and internationally, the parties submitted that they likewise account for less than 10 per cent share of supply.
 8. Finally, also on 28 November 2011, in a separate transaction, CitySprint acquired a medical courier business from Medical Services Limited (some of whose shareholders are also shareholders in Lewis Day). CitySprint already provides a courier service for medical items throughout the UK. The parties told the OFT that the vast majority of medical courier services are provided by the NHS itself and that the parties' combined share of supply for this activity would be considerably below 25 per cent.

DECISION

9. On the basis of the information available to it, the Office of Fair Trading has decided that the acquisition does not qualify for investigation under the mergers provisions of the Act because neither the UK turnover test nor the share of supply test in section 23 of the Act is met. A relevant merger situation has, therefore, not been created.