

Promoting Competition | for consumers, business and the economy

Welcome

Welcome to the first of what will be a regular series of bulletins from the [Competition and Markets Authority](#). We're keen to keep up a continuous dialogue with those interested in our work. With the CMA now around a third of the way through our first year, it's a good time for some initial reflections on what we've done, what that adds up to, and where we stand in relation to our aims and ambitions.



We've been busy

It hasn't been a quiet start. Most obviously, following [a referral from Ofgem](#) we're in the early stages of an in-depth and independent review of competition in the energy market, for which broad support has been expressed by key players, including those within the industry itself. We're also [consulting on a provisional decision](#) to refer personal and small business banking for a similar investigation. These are two hugely significant markets, and represent both a serious test for the new regime and a big opportunity for us to deliver on our mission. Wherever the evidence takes us, there are immense benefits to having these markets working well for consumers, for business and for the economy as a whole.

Markets and mergers

It's fair to say that most of our visible early output has been from our investigations of whole markets. In addition to activity on energy and banking, we published [provisional findings on payday lending](#) that showed consumers may be getting a poor deal, and outlined some proposals to improve competition in the market alongside the FCA's beefed up regulation. We also set out [our ideas for improving aspects of the motor insurance market](#). And there has been no interruption to the flow of merger review activity – we currently have around 30 mergers on the books, with recent announcements in sectors ranging from [cross channel ferries](#) to [budget gyms](#).

Enforcement

The criminal cartel offence represents a significant deterrent to anti-competitive activity. The Cartels and Criminal Group at the CMA has taken over the portfolio of criminal cases that were under investigation by the OFT. Our casework includes an investigation into alleged cartel conduct in respect of the supply of galvanised steel tanks for water storage in the UK. In that matter, [three individuals have been charged](#) with the criminal cartel offence under the Enterprise Act 2002, one of those has pleaded guilty at the Crown Court, and proceedings are underway in relation to the other two. Some legal restrictions apply to what can be reported whilst the proceedings are ongoing.

Ensuring a consistent focus on consumers

I have described above a wide range of markets in which the CMA is intervening to ensure consumers are getting a good deal. In our inaugural [Annual Plan](#), we emphasised how we wanted to ensure that we place the interests of consumers at the heart of everything we do. Backing up this promise with action to embed it has been a priority in our first few months, and we have now developed a set of actions which will help us to bring [a greater, more consistent consumer focus to our work](#).

This includes engaging more widely and proactively with a diverse group of stakeholders on our projects and, through this, developing a wide consumer network who we can involve to bring their experiences and perspectives to our work. This has already proved useful, for example, in the work currently underway on our strategic assessment of the issues and threats facing consumers and markets, where we have engaged with a wide range of consumer organisations and experts. We intend to build on this engagement in our consultation process on the Annual Plan.

We are also developing our internal processes and governance arrangements to ensure we maintain a consistent focus on consumers through the complete lifecycle of all our projects. And we are exploring how we can use digital technology more effectively to gather intelligence about issues that may be giving rise to problems for consumers, and to engage directly with consumers on our work.

Out and about

David Currie and I have both very much enjoyed representing the CMA and meeting with many of the groups and individuals with an interest in what we do. We held a [CMA Board](#) meeting in Scotland, underlining our commitment to markets across the whole of the UK. If you'd like to know more about what we've been saying, on topics including infrastructure investment, mergers involving NHS Trusts and helping firms to comply with the law, we've

[published a number of speeches on our website](#). David's [Currie Lecture](#) in May, covering the value of independence in the competition and regulatory regimes, was a particular highlight for me.

As a new agency we have been given an important task that we have set about at pace. But we are keen to keep open channels of communication as we go forward, and would very much welcome your feedback both on issues covered in this bulletin, and our work in general.

Finally, I'd like to take this opportunity to acknowledge the enthusiasm and commitment shown by our staff during the transition to the CMA and in our early days. Their hard work during this exciting and challenging time is central to the realisation of our ambition to be consistently one of the leading competition and consumer agencies in the world.

Have a great summer.

A handwritten signature in black ink, appearing to read 'Alex', is centered on a white rectangular background.

Alex Chisholm, CEO

July 2014