



CMA Consultation on Ticketing Block Exemption Guidance

Response of the Confederation of Passenger Transport (CPT)

24 May 2016

Question 1

2.16 This section has been shortened and simplified to make the guidance more user-friendly:

(a) Do you consider that this section (read in conjunction with the rest of the guidance, in particular Appendix B) is providing you with appropriate level of detail? *Yes*

(b) What changes, if any, do you suggest? *None*

Question 2

3.30 This section has been expanded to set out what is meant by 'substantially the same'. We use examples and route maps to illustrate the points:

(a) Do you think that it is clear what is meant by 'substantially the same'? *Yes*

(b) Do you find the examples and route maps helpful? *Yes*

(c) Is the information required to make an assessment easily available? *Yes*

(d) Do you have any suggestions to make this section clearer? *No*

(e) Do you have any further comments on this section? *It is quite hard to interpret "evidence of" a contractual right (3.4) in the context of contactless card payment for travel with the price determined post hoc (depending on the journeys made) in a back office. In a future revision of the Block Exemption itself, it would be helpful to redefine "ticket" as "a contractual arrangement for travel".*

Question 3

3.36 This section reflects changes to the definition of MTC in the block exemption. We explain what is meant by 'in practice, not substantially used as an MIT or TT'. We use examples and route maps to illustrate points:

(a) Do you think that it is clear what is meant by 'in practice, not substantially used as an MIT or TT'? *Yes*



(b) Do you find the examples and route maps helpful? *Yes*

(c) Is the information required to make an assessment easily available? If not, please explain what the obstacles are and what alternatives might be used instead. *Yes*

(d) Do you have any suggestions to make this section clearer? *No*

(e) Do you have any further comments on this section? *No*

Question 4

4.5 This section has not been changed substantially:

(a) Do you consider that the examples are relevant? *Yes*

(b) Would any of the examples cause you concern? *No*

(c) Would you like to add further examples? *No*

Question 5

4.9 In this section we have introduced some examples:

(a) Do you consider that the examples are relevant? *Yes*

(b) Would any of the examples cause you concern? *No, but we are aware that several Local Authorities wish to see schemes that cannot be “undercut” by single operator tickets. The guidance makes it clear that such schemes cannot benefit from the Block Exemption.*

(c) Would you like to add further examples? *No*

Question 6

4.11 In this section we have introduced some examples.

(a) Do you consider that the examples are relevant? *Yes*

(b) Would any of the examples cause you concern? *No*

(c) Would you like to add further examples? *No*

Question 7

4.22 In this section we have added more explanation and introduced some examples of information which can and cannot be exchanged.

(a) Does this draft help you to understand what information you can and cannot exchange? *Yes*



(b) Do you consider that the examples are relevant? *Yes, except for the last bullet in section 4.17. This implies that operators' costs should be the sole or main determinant of the price of an MTC whereas in reality the correct price will be determined by demand and the price of substitutes, as well as the cost of providing the services covered by the ticket.*

Are there any omissions or points which would cause difficulty in operating the schemes effectively? *Yes, if parties take a narrow view of the last bullet in section 4.17. See also the next paragraph.*

Please give details of the nature of information exchanged and why it is necessary for the effective operation of the scheme. *It should be possible for operators to exchange information on future pricing once it is in the public domain.*

(c) Would you like to add further examples? *See above.*

Question 8

4.29 This section is largely unchanged:

(a) Do you consider that the example is still relevant? *Yes*
If not please explain why and provide an alternative example.

(b) Would you like to add further comment on this section? *No*

Question 9

4.36 We have changed this section slightly to make it clearer:

(a) Do you have any comments on this section? *No*

Question 10

4.47 In this section we have provided more clarification on agreeing the price of MTCs and we have added a revenue share example:

(a) Do you consider that the guidance on agreeing prices is helpful? *Yes*

(b) Would any of the examples cause you concern? *No*

(c) Would you like to add further examples? *No*

Question 11

5.10 In this section we have introduced an example of a section 9(1) self assessment to give an indication to operators that wish to develop MIT-type schemes which fall outside the block exemption of the kinds of factors which could be relevant.

(a) Do you consider that the example here is helpful? *Yes*
Or do you think that there are still areas which need more guidance?



(b) Do you have any further comments on this section? *No*

Question on short guide

The purpose of this short guide is to give a quick overview of the block exemption.

1. Do you think the short guide is sufficiently clear and easy to understand? *Yes. It is a useful addition to the formal guidance.*

If not please suggest what needs to be changed.

2. Do you consider that this short guide is providing you with an appropriate level of detail? *Yes.*

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