

**REFERENCE RELATING TO THE COMPLETED ACQUISITION
BY AUSURUS GROUP LIMITED, THROUGH ITS SUBSIDIARY EUROPEAN
METAL RECYCLING LIMITED, OF CUFE INVESTMENTS LIMITED**

**Notice of provisional findings made under Rule 11.3
of the Competition and Markets Authority Rules of Procedure¹**

1. On 7 February 2018 the Competition and Markets Authority (CMA) made a reference to its chair for the constitution of a Group of CMA Panel Members (the Inquiry Group)² in accordance with section 22 of the Enterprise Act 2002 (the Act), regarding the completed acquisition by Ausurus Group Limited, through its subsidiary European Metal Recycling Limited, of CuFe Investments Limited and requiring it to report within a period ending on 24 July 2018.

Provisional findings

2. The CMA Inquiry Group appointed to consider this reference has made the following provisional findings on the statutory questions it has to decide pursuant to section 35(1) of the Act:
 - (a) a relevant merger situation has been created; and
 - (b) the creation of that situation has resulted, or may be expected to result in, a substantial lessening of competition within the markets for:
 - i. Purchasing of shredder feed in the South East;
 - ii. Purchasing of ferrous and non-ferrous scrap metals in the London region;
 - iii. Purchasing of ferrous and non-ferrous scrap metals from tendered contracts in the West Midlands;
 - iv. Purchasing of ferrous and non-ferrous scrap metals from tendered contracts in the North East; and
 - v. Sales of new production steel to UK customers.

¹ See [Rules of procedure for merger, market and special reference groups: CMA17](#).

² Under Schedule 4 to the Enterprise and Regulatory Reform Act 2013.

3. The Inquiry Group's reasons are set out in full in the provisional findings report, which is attached to this notice, and summarised in the summary of the provisional findings report (see note below).

The next steps

4. Ausurus Group Limited and CuFe Investments Limited are now invited to provide the Inquiry Group with their reasons in writing as to why these provisional findings should not become final (or, as the case may be, should be varied).
5. These reasons should be received by the Inquiry Group no later than 21 June 2018.
6. The Inquiry Group will have regard to any such reasons provided by Ausurus Group Limited and CuFe Investments Limited in making its final decisions on the statutory questions and actions.
7. The Inquiry Group will shortly send to Ausurus Group Limited and CuFe Investments Limited and publish a notice of possible remedies. This will set out the actions which it considers might be taken by the CMA to remedy the substantial lessening of competition and resultant adverse effects provisionally identified.

Lesley Ainsworth
Inquiry Group Chair
1 June 2018

Note: A copy of this notice and the summary of the provisional findings report will be placed on the CMA website on 1 June. The CMA proposes to publish the provisional findings report on its website by 4 June. The published version of the provisional findings report will not contain any information which the Inquiry Group considers should be excluded from the report, having regard to the three considerations set out in section 244 of the Act. These omissions are indicated by [✂].