

## **ACQUISITION BY ELECTRO RENT CORPORATION OF TEST EQUIPMENT ASSET MANAGEMENT LIMITED**

### **Derogation from Interim Order**

#### **Background**

- A. On 7 November 2017 the Competition and Markets Authority (CMA) made an Interim Order pursuant to [section 81](#) of the Enterprise Act 2002 (the Act) applying to Electro Rent Corporation, Electro Rent Europe (including its UK branch) and Test Equipment Asset Management Limited (together ‘the Parties’) to ensure that no action is taken pending final determination of the Reference which might prejudice the Reference or impede the taking of any action by the CMA under Part 3 of the Act which may be justified by the CMA’s decisions on the Reference and adopted the derogations to the Phase 1 Initial Enforcement Order (IEO) to that date.
- B. The Reference has not been finally determined in accordance with [section 79](#) of the Act.
- C. The Interim Order prohibits certain actions without the prior consent of the CMA.

#### ***Derogation requests and CMA consent***

- 1. On 2 July 2018, the CMA was informed that the Parties were seeking permission for a Microlease engineer to upgrade the internet line for Electro Rent Europe. This would take place during a pre-planned trip for him to visit the local Microlease offices, and could not be completed remotely.
- 2. The Parties proposed a series of controls to minimise the risk of any information being transferred between the businesses (in line with the Interim Order), specifically:
  - (a) The engineer will be chaperoned by a member of Electro Rent Europe staff at all times;
  - (b) The engineer will not have access to any servers or systems containing data. He is permitted to access the firewalls to configure the new internet line; and

(c) The engineer will work only in the server room, and customer-meeting room and not at any employees' desk.

3. On 6 July 2018, the CMA consented to the Parties undertaking the proposed upgrade to the Electro Rent Europe internet line, using the controls stated above.

Signed by authority of the CMA

Simon Polito  
CMA Group Chairman  
13 July 2018