

Completed acquisition by Rentokil Initial plc of Cannon Hygiene Limited

Summary of final report

The reference

1. On 28 June 2018, the Competition and Markets Authority (CMA), in exercise of its duty under section 22(1) of the Enterprise Act 2002 (the Act), referred the completed acquisition by Rentokil Initial plc (Rentokil) of Cannon Hygiene Limited (Cannon) (the Merger) for further investigation and report by a group of CMA panel members (the Group).
2. In exercise of its duty under section 35(1) of the Act, the CMA must decide:
 - (a) whether a relevant merger situation has been created; and
 - (b) if so, whether the creation of that situation has resulted, or may be expected to result, in a substantial lessening of competition (SLC) within any market or markets in the United Kingdom (UK) for goods or services.
3. We published our provisional findings and notice of possible remedies on 18 October 2018. The original statutory deadline for preparing and publishing our report was 12 December 2018. Following the decision by the Group to extend the reference period, under section 39(3) of the Act, we were required to publish our final report by 6 February 2019.
4. We refer to Rentokil and Cannon collectively as ‘the Parties’.

Industry background

5. The Parties overlap in:
 - (a) the supply of washroom services;
 - (b) the supply of healthcare waste collection services; and
 - (c) the supply of mats services.

Washroom services

6. Washroom services comprise the supply of services and consumables related to washrooms in public, office and industrial buildings. These services include the supply and fitting of various dispensers (eg for odour remediation), the replenishment of commodity products (such as toilet paper, hand towels and soap) and waste collection (from feminine hygiene units and nappy bins).
7. The supply of washroom services typically involves regularly scheduled service visits to a customer, during which the supplier services equipment, replenishes consumables and collects waste from feminine hygiene units and nappy bins for disposal.
8. For some consumable products, such as soap, paper towels or toilet rolls, suppliers may provide refills in bulk for the customer to replenish these consumables themselves rather than the supplier replenishing the consumables. Items such as toilet paper dispensers and paper towel dispensers can be sourced from product manufacturers and distributors as well as from washroom service suppliers.
9. Washroom service suppliers typically operate fleets of vans that use a central depot, storage facility or warehouse from which to restock. Washroom service staff travel along a route visiting multiple customer sites each day, replenishing and servicing customer washrooms from the consumables and products stored in their vans.

Healthcare waste collection services and mats services

10. The Parties also overlap in the supply of healthcare waste collection services. Healthcare waste collection services include the collection and disposal of infectious clinical waste, non-infectious clinical waste, pharmaceutical waste services, dental waste services and sharps disposal services.
11. In addition the Parties overlap in the supply of mats services, which include indoor and outdoor mats which help prevent trips and slips.

The Parties and other key suppliers of washroom services

Rentokil

12. Rentokil is a global hygiene service and commercial pest control provider. In the UK, Rentokil provides washroom services, healthcare waste collection services, mats services and pest control services. Rentokil is listed on the London Stock Exchange and is a constituent of the FTSE 100 Index. The

turnover of Rentokil for the year ended 31 December 2017 was approximately £2.4 billion worldwide of which £245.6 million was generated in the UK and Ireland.

13. Rentokil is the parent company of Rentokil Initial UK Limited, which is the UK entity that comprises all of Rentokil's UK washroom service business, including mats services. This business also provides some pest control activities, but does not provide healthcare waste services. The healthcare waste business of Rentokil is in a separate company, Initial Medical Services Limited.
14. In the UK, Rentokil has 38 branches, of which 32 are used for washroom and mats services, and 6 are used for healthcare waste collection services.

Cannon

15. Cannon was formerly a multinational subsidiary of the global facilities management (FM) firm OCS Group Limited (OCS Group), which sold its hygiene services business through an auction in 2017.
16. Cannon provides washroom services, healthcare waste collection services and mats services in the UK. Its UK turnover for the year ended 31 March 2017 was £38 million. Cannon has 38 branches in the UK, all of which are used for washroom services.

Other suppliers

17. PHS Group Limited (PHS) is the leading supplier of hygiene services in the UK, Ireland and Spain. In the UK, PHS is the leading supplier of washroom services. PHS's washroom revenue was £38 million in the financial year ended 31 March 2017. PHS supplies washroom services from 38 locations in the UK.
18. Cathedral Leasing Limited (Cathedral) is a washroom hygiene specialist based in Tamworth, employing over 200 staff. Cathedral started as a regional supplier but has gradually grown to deliver services across most of the UK. In 2017, Cathedral's turnover was £13 million. Cathedral does not operate a traditional depot network, but instead uses a combination of storage units and direct supply to drivers.
19. Mayflower Washroom Solutions (Mayflower) is headquartered in Woolwich, London. Mayflower supplies across the UK from five distribution centres in the UK and one in Ireland. In the most recent financial year, Mayflower's revenue

from providing washroom services was £3 million, which represents roughly 3% of its total turnover.

20. There are a variety of other smaller suppliers. Elis (which acquired Berendsen in 2017) currently provides washroom services in the UK on a limited scale, but is a larger supplier of these services in other European countries. Hygienic Concepts provides a range of washroom services across the UK. Zenith Hygiene Group is a manufacturer of cleaning and hygiene products active across the UK, but outsources most of its waste disposal services to 3. The Independent Washroom Services Association is a group of independent washroom service providers which work in partnership to provide washroom services across the UK. There are a large number of other washroom suppliers active at the regional and local level. FM companies and cleaning companies can supply washroom services, although some elements of these services are typically outsourced to washroom service suppliers. A limited number of waste collection companies transfer and dispose of waste from washrooms.
21. In the supply of washroom services other than waste disposal, a range of other suppliers are active, including distributors and product manufacturers.

The inquiry

22. As part of our inquiry, we received several submissions and responses to information requests from the Parties, held in depth-hearings with the Parties and competitors and engaged extensively throughout the inquiry with customers and potential market entrants. We carried out an extensive review of internal documents held by the Parties as well as tendering data and customer loss data. We also considered the results of a customer survey that we commissioned.
23. Our inquiry focused on the supply of washroom services. We did not examine the supply of healthcare waste collection services or the supply of mats services as the phase 1 investigation found no competition concerns in relation to these overlaps and we received no submissions on healthcare waste or mats services in response to our statement of issues.

The transaction and the relevant merger situation

The transaction

24. On 21 December 2017, the Parties entered into a Sale and Purchase Agreement, which included the acquisition of various hygiene services in

Austria, India, Ireland, Portugal, South Africa, Spain, Thailand, the UK and New Zealand. In the UK the transaction completed on 1 January 2018.

25. In the UK, Rentokil Initial UK Limited, a subsidiary of Rentokil, acquired 100% of the shares of Cannon Hygiene Limited UK from OCS Group. The sale also included Cannon Hygiene International Limited, which is responsible for development, marketing and procurement of dispensers and certain key consumables. ✕.

The rationale for the transaction

26. OCS Group told us that it decided to sell Cannon because it was not delivering the financial returns expected. ✕
27. Rentokil told us that the acquisition of Cannon was ✕. Rentokil also told us that the acquisition ✕.
28. Rentokil said that significant synergies were forecast ✕.

Relevant merger situation

29. We found that, as a result of the Merger, the Parties ceased to be distinct and that the share of supply test was met. We therefore concluded that a relevant merger situation had been created based on the share of supply test.

Counterfactual

30. We considered what would have been the competitive situation in the absence of the Merger (the counterfactual). We concluded that the counterfactual was the continuation of pre-Merger competitive conditions.

Market definition

31. The purpose of market definition in a merger inquiry is to provide a framework for the analysis of the competitive effects of the merger. The boundaries of the market do not determine the outcome of the analysis of the competitive effects of the merger.
32. We considered whether the product market should be segmented by customer type. We found that the complexity of servicing an individual customer increases with the number of regions in which the customer requires washroom services. The requirements of customers located in 11 or 12 regions of the UK (national customers) are similar to those of customers located in eight or more regions (multi-regional customers). For the purposes

of market definition, we did not consider it necessary to distinguish between national and multi-regional customers. However, we drew a distinction between those customers and regional and local customers, which have simpler service requirements.

33. We considered other possible customer segmentation within the relevant product market. We concluded that separate markets should not be defined for different customer types other than the distinction between national and multi-regional customers from regional and local customers. However, we took the view that the competitive effects of the Merger should be examined in relation to three different customer segments – namely end customers (ie those purchasing directly for their premises), FM customers and public and private framework (ie buying group) customers.
34. We therefore concluded that the impact of the Merger should be examined in relation to the following product markets:
 - (a) the supply of washroom services to national and multi-regional customers (including end customers and FM customers located in eight or more UK regions and framework customers with national or multi-regional coverage); and
 - (b) the supply of washroom services to regional and local customers.
35. We considered the supply of waste disposal services to represent a distinct segment of the market and that the competitive effects of the Merger should be considered separately in relation to the supply of waste disposal services.
36. We also considered competitive constraints from various types of direct and indirect suppliers of waste disposal (eg washroom services suppliers, healthcare waste companies, FM companies and cleaning companies) in the competitive assessment.
37. In relation to the geographic market, we found that:
 - (a) Regional and local competition is distinct from national and multi-regional competition.
 - (b) There is some overlap between regional and local competition, because the size of the areas served by the Parties' branches, as well as by their regional competitors, are reasonably wide.
38. We therefore concluded that the competitive effects of the Merger should be considered at both:

- (a) The national and multi-regional level (in the supply to national and multi-regional customers).
- (b) The regional and local level (in the supply to regional and local customers).

Competitive assessment in relation to national and multi-regional customers

39. We assessed the competitive effects of the Merger in the supply of washroom services to national and multi-regional customers and assessed waste disposal as a separate product segment within the market.

The supply of waste disposal services

40. We considered three customer segments in our assessment of the competitive effects for national and multi-regional customers in the waste disposal segment. These were end customers and FM customers, where we focused on those customers located in eight or more regions of the UK. For framework customers, we considered frameworks with national or multi-regional coverage (ie frameworks open to users in all or the majority of regions in the UK).

Evidence on competition pre-Merger

41. We assessed evidence on competition pre-Merger across the three categories of national and multi-regional customer.

Level of concentration

42. We found that the supply of waste disposal to national and multi-regional customers is concentrated. Three firms (PHS, Rentokil and Cannon) supply the largest number of and value of services provided to these customers, and the scale of other competitors is much smaller in comparison.

The closeness of competition between the Parties

43. We examined the closeness of competition between the Parties pre-Merger. We found that PHS was the closest competitor to both Rentokil and Cannon and that, after PHS, the Parties were each other's next closest competitor pre-Merger.

Competition from other suppliers

44. We considered competition from other suppliers of washroom services. We found that PHS was the closest competitor to the Parties and that both Rentokil and Cannon competed closely against PHS for national and multi-regional customers, but Rentokil more strongly than Cannon.
45. We considered competition from the next two largest suppliers after PHS and the Parties, namely Cathedral and Mayflower.
46. We found that Cathedral is able to supply national and multi-regional customers. However, we found Cathedral's current contracts with national and multi-regional customers are of relatively low value. We also note that competitive interactions between Cathedral and the Parties are limited and we note that Cathedral \times). We therefore found that Cathedral provided a limited constraint on the Parties.
47. We found that Mayflower is also able to supply national and multi-regional customers. However, we found that Mayflower currently acts as a limited constraint on the Parties, because its current scale is significantly smaller than that of the Parties and PHS. There have been limited competitive interactions between the Parties and Mayflower and the Parties' internal documents did not consider Mayflower as a close competitor. The evidence is also consistent with Mayflower's view that \times .
48. We found that there are few other washroom suppliers serving national and multi-regional customers and their scale is very small. We concluded that they exert a very limited constraint on the Parties.
49. We also considered the potential for national and multi-regional customers to procure their waste disposal services from multiple regional suppliers. We found that while some end customers may have the ability to switch to regional suppliers, others prefer and currently use a single supplier for their entire estate (we discuss framework customers and FM customers further below). We found that the incentive to switch to regional suppliers was limited. We therefore concluded that there exists a significant group of customers, procuring centrally for their estates, which are unlikely to be willing to 'buy around' a single supplier (such as the Parties or PHS) by using a combination of regional suppliers.
50. We examined the constraint from other types of supplier, including FM companies, healthcare waste collectors and cleaning companies:
 - (a) We found that FM companies do not currently supply waste disposal with their own capability to customers, but outsource to washroom service

suppliers. We therefore concluded that FM companies impose an indirect constraint on the Parties in relation to the supply of waste disposal services.

- (b) We found very limited evidence that waste collection or cleaning companies competed with the Parties in the supply of washroom waste disposal services to national and multi-regional customers.

Assessment of the competitive effects of the Merger

- 51. We considered three customer segments in our assessment of the effect of the Merger on national and multi-regional customers in the waste disposal segment in relation to: (a) end customers procuring directly; (b) public and private frameworks; and (c) FM customers.

National and multi-regional end customers procuring directly

- 52. We found that the supply of waste disposal to national and multi-regional end customers is concentrated, with three firms (PHS, Rentokil and Cannon) supplying the largest number of and value of services provided to these customers.
- 53. We found that the Parties are each other's second closest competitor after PHS.
- 54. We expect that PHS will continue to operate as a substantial competitor to the Parties post-Merger. However, in a concentrated market with limited credible alternatives available to national and multi-regional customers, the elimination of one of the Parties from the market reduces the already limited set of options available to national and multi-regional customers and is therefore likely to reduce the competitive constraint faced by both the merged entity and PHS.
- 55. We found that Cathedral and Mayflower are likely to act as only a relatively limited constraint on the Parties post-Merger.
- 56. We considered the constraint from other supply options post-Merger:
 - (a) We found limited evidence that other individual washroom suppliers, have had competitive interaction with the Parties and no evidence that their competitive positions will change post-Merger.
 - (b) We considered whether national and multi-regional customers would be able and willing to 'buy around' the Parties (or PHS) by using a

combination of regional suppliers and found that the constraints from regional suppliers are likely to remain limited post-Merger.

- (c) We found that the constraints from FM companies will remain indirect post-Merger.
 - (d) We found limited evidence that other suppliers, such as healthcare waste companies, cleaning companies and self-supply, would enter or expand in a way that would constrain the Parties post-Merger.
57. We concluded that the aggregation of these limited individual constraints would be unlikely to offset the loss of competition as a result of the Merger.
58. Post-Merger, when national and multi-regional customers consider appointing a new supplier or negotiate with their existing suppliers, the main credible alternative options would be the merged entity and PHS, with other suppliers exercising a limited constraint. Therefore, we found that the impact of the removal of one of the Parties from the competitive process would be unlikely to be offset by competition from other suppliers. We therefore found that the Merger is likely to enable the merged entity to raise price or reduce quality profitably.
59. The Group therefore decided by a majority that that the Merger has resulted, or may be expected to result, in an SLC in relation to the supply of waste disposal services to national and multi-regional customers purchasing directly for their premises from a washroom services supplier, subject to any countervailing factors.

The competitive effects of the Merger in relation to frameworks

60. We examined whether the Merger would be likely to affect public or private frameworks with a national or multi-regional coverage (that is those frameworks which are open to users in a majority of regions of the UK).
61. Framework organisations negotiate prices and terms of supply with washroom services suppliers, and set up framework agreements that enable their users to procure washroom services from qualified suppliers. Frameworks can be public or private (the latter are also known as buying groups).
62. We found that competition in the supply of washroom services to framework customers takes place on two levels:
- (a) competition between suppliers to be listed on frameworks; and
 - (b) competition between suppliers for users procuring under a framework.

63. In relation to competition to be listed on a framework, we found that:
- (a) The Parties and PHS are the three major suppliers listed on public frameworks which generated the large majority of the revenue from contacts awarded under these frameworks. They also serve private frameworks, although Cannon is smaller than Rentokil and PHS.
 - (b) Cathedral and Mayflower are not listed on any public frameworks and Cathedral supplies only one private framework.
 - (c) Regional suppliers have been successful in getting listed on frameworks but represent a limited constraint on national suppliers. FM companies are not listed on frameworks as washroom service suppliers because they offer integrated FM services, rather than washroom services on a stand-alone basis. They are therefore not a credible alternative to washroom service suppliers.
64. In respect of competition between suppliers for users procuring under a framework, we found that:
- (a) In public tenders, PHS is the closest competitor to the Parties, but the Parties and PHS together are the three main competitors. Constraints from suppliers 'off framework' are weak for both public and private framework users.
 - (b) Constraints from regional suppliers 'on framework' are weak for both public and private frameworks and are likely to be limited 'off framework'.
 - (c) Customer and competitor submissions indicated that it is generally cheaper and more convenient for users who have access to a framework to procure under the framework than to procure from a supplier directly.
 - (d) Evidence from internal documents showed that ✕.
65. Taken together, the evidence showed that the Parties and PHS are the major suppliers to framework organisations and their users, with other suppliers representing a weak constraint.
66. The Group therefore decided by a majority that that, subject to countervailing factors, the Merger has resulted, or may be expected to result, in an SLC in the supply of waste disposal services to public and private frameworks with national or multi-regional coverage due to:
- (a) A reduction in the number of credible options to framework organisations with national and multi-regional coverage; and

- (b) A reduction in the number of credible options to users that procure under a framework.

The competitive effects of the Merger in relation to FM customers

67. We considered the impact of the Merger on the supply of waste disposal to FM customers.
68. We found that competition in the supply of waste disposal services to FM customers differs from the direct supply to end customers in two ways.
69. First, we found that FM companies aggregate services from multiple suppliers to provide an integrated FM service to their customers and that nearly all FM customers multi-source (with some using a combination of regional and national providers). We therefore found that FM companies and thus the customers they serve would be more likely than end customers procuring directly to consider using multiple suppliers of waste disposal as an alternative to the Parties. This widens the choice of alternative suppliers to include smaller regional suppliers.
70. Second, we found that FM customers would be better placed than end customers to maintain their negotiating strength with the Parties post-Merger. FM customers have frequent and repeated interactions with multiple washroom services suppliers, compared to end customers which typically only tender or re-negotiate every few years due to the nature of their contracts. In addition, FM customers are an important channel for the Parties to reach end customers.
71. We therefore concluded that the Merger has not resulted, or may not be expected to result, in an SLC in relation to the supply of waste disposal services to FM customers.

The supply of washroom services other than waste disposal

72. We found that in each of the service lines supplied by the Parties other than waste disposal, the Parties face effective competition from a number of product manufacturers and distributors, in addition to other washroom services providers. We also found that, in contrast to waste disposal services, a number of FM companies provide these washroom services in-house. In addition, we found that there are no licensing requirements for the supply of washroom services other than waste disposal.

73. We therefore concluded that the Merger has not resulted, or may not be expected to result in, an SLC in the supply of washroom services other than waste disposal.

Competitive assessment in relation to regional and local customers

74. We assessed the competitive effects of the Merger in relation to the supply of washroom services, including waste disposal, to regional and local customers.
75. We examined the number of competing suppliers in the areas around each of Rentokil's and Cannon's branches. We considered the number of competitors offering waste disposal services as well as any number of other services in each catchment area. We found that the Merger would reduce the number of suppliers from 'four to three' or fewer only at Inverness (Cannon branch) and Inverurie (Rentokil branch).
76. We considered competition in these specific areas in more detail and found that the Parties are not close competitors in either area and that each of the Parties will face competition from competitors that are closer geographically than from either Rentokil or Cannon.
77. We also examined the number of competitors in each of the UK's 12 regions. We found that the region with the lowest number of effective competitors is Northern Ireland. However, even in this region, we found that at least three competitors would remain in addition to the Parties post-Merger.
78. We concluded that the Merger has not resulted in, and may not be expected to result, in an SLC in the supply of washroom services to regional and local customers.

Countervailing factors

79. We assessed whether there were any countervailing factors to prevent the SLCs from arising.

Countervailing buyer power

80. We found that whilst some national and multi-regional customers appear to be able to negotiate deals with the Parties, these customers would have limited supply options for waste disposal post-Merger. We found that the Merger would remove an important supply option for national and multi-regional end customers and for frameworks (both in respect of listing on frameworks with

national and multi-regional coverage and winning business from users of these frameworks).

81. We therefore concluded that countervailing buyer power was not sufficient to prevent the SLCs.

Barriers to entry and expansion

82. We considered whether entry would be timely, likely and sufficient to prevent the SLCs. We found that one provider, Elis, which has historically outsourced its provision of washroom services in the UK, has plans to enter the UK washroom sector (through local and regional entry pilots). However, following a thorough review of its entry plans, we concluded that its entry would not be timely, likely and sufficient to prevent the SLCs.
83. We also considered expansion by existing suppliers of washroom services in the UK. We found that there is insufficient evidence to suggest that expansion by Cathedral, Mayflower or other suppliers would be likely to be timely or sufficient to prevent the SLCs.
84. We therefore concluded that entry or expansion would not be timely, likely or sufficient to prevent the SLCs in the supply of waste disposal services to national and multi-regional end customers and/or frameworks with national or multi-regional coverage.

Efficiencies

85. We concluded that there was insufficient evidence that the Merger is rivalry enhancing or that produces relevant customer benefits.

Conclusion

86. As a result of its assessment, the Group decided that:
- (a) the acquisition by Rentokil of Cannon has created a relevant merger situation; and
 - (b) the relevant merger situation has not resulted, or may not be expected to result, in an SLC in relation to the supply of:
 - (i) Healthcare waste services.
 - (ii) Mats services.
 - (iii) Washroom services to regional and local customers.

(iv) Washroom services other than waste disposal services.

(v) Waste disposal services to FM customers.

87. The Group decided by a majority that the relevant merger situation has resulted, or may be expected to result, in an SLC in relation to the supply of waste disposal services to the following national and multi-regional customers:

(a) Customers located in eight or more regions of the UK purchasing directly for their premises from a washroom services supplier.

(b) Public and private framework customers with national or multi-regional coverage.

Remedies

88. Having concluded that the Merger has resulted, or may be expected to result, in an SLC, we considered what action should be taken to remedy, mitigate or prevent the SLC or any of the resulting adverse effects we found.

89. We concluded that there were two structural remedies that would be effective:

(a) Option 1 – a divestiture of Cannon’s UK business, Cannon UK Limited, including all customers, assets and liabilities to a purchaser approved by the CMA.

(b) Option 2 – a divestiture of Cannon’s customer contracts in the markets affected by the SLCs (SLC Contracts), plus any Cannon UK operations and infrastructure required by a prospective purchaser as approved by the CMA.

90. Whilst we concluded that both the remedy options would be effective at remedying the SLCs and the resulting adverse effects we found, we concluded that Option 2 would be less onerous and less intrusive. We therefore concluded that a divestiture of the SLC Contracts was the more proportionate solution.

91. Subject to the requirements of the purchaser, the divestiture package should include, but is not limited to, the following assets and operations:

(a) the Cannon contracts with customers in the markets affected the SLCs (i.e. SLC Contracts);

(b) the ‘Cannon Hygiene’ brand and the ‘Cannon’ brand, to the extent owned or controlled by the Parties in the UK. The Parties propose that Rentokil

would then implement a prompt rebranding process related to the retained assets and business lines to address the risk of any confusion following the divestiture;

- (c) all intangible assets owned or controlled by Cannon UK which are necessary to carry out washroom services for the SLC Contracts, including the relevant intellectual property rights (including trademarks, service marks and domain names);
- (d) all Cannon employees and other personnel primarily engaged in providing or supporting the SLC Contracts, including central national account management capability, service technicians and those with other central functions (subject to employment law restrictions). The Parties also propose to offer the prospective purchaser any other personnel who are used (exclusively or not) in servicing the SLC Contracts and who are necessary to ensure the continued viability and competitiveness of the divested SLC Contracts and related assets, or an adequate substitute;
- (e) all permits and licences in relation to waste collection and disposal of healthcare waste services, including waste carrier licences to the extent that they are transferable;
- (f) other assets:
 - (i) all Cannon UK facilities engaged in washroom services to support the SLC Contracts, including all on-site equipment related to such washroom services as well as all such leased equipment to be transferred to the purchaser to the fullest extent possible;
 - (ii) all leases for the transferred Cannon UK facilities or a sub-lease as appropriate, to the extent transferrable;
 - (iii) all Cannon vehicles currently owned or leased by Cannon UK which are used to service the SLC Contracts; and
 - (iv) any other asset which is used (exclusively or not) to service the SLC Contracts and which is considered necessary in order to ensure the continued viability and competitiveness of the SLC Contracts, or an adequate substitute.

92. In addition, we will put in place various safeguards to support effective remedy implementation. For example, we expect a transitional services agreement to be provided to the purchaser. The precise terms of the agreement for the provision of these services to be provided on a transitional basis are to be

determined through negotiations between the Parties and the purchaser, which we will review as part of the approval of the terms of the divestiture.

93. We expect to implement the structural remedy by seeking suitable undertakings from the Parties. The CMA has powers to issue an Order if we are unable to obtain satisfactory undertakings from the Parties.
94. Once any potential purchaser has been identified, we will consider in more detail the divestiture package as well as the viability of any purchaser. We will consider the suitability of each potential purchaser on its own merits.