

Appendices and glossary

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Glossary

Appendix A: Terms of reference

- In exercise of its duty under section 22(1) of the Enterprise Act 2002 (the **Act**) the Competition and Markets Authority (**CMA**) believes that it is or may be the case that:
 - (a) a relevant merger situation has been created, in that:
 - enterprises carried on by NEC Software Solutions UK Limited have ceased to be distinct from enterprises carried on by SSS Public Safety Limited and Secure Solutions USA LLC¹; and
 - (ii) the condition specified in section 23(2)(b) of the Act is satisfied; and
 - (b) the creation of that situation has resulted, or may be expected to result, in a substantial lessening of competition within a market or markets in the United Kingdom for goods or services, including:
 - (i) the supply of Integrated Communication and Control Services software to emergency services and transport customers in the UK;
 - (ii) the supply of Duties Management Systems software to police customers in the UK; and
 - (iii) the supply of Records Management Systems software to police customers in the UK.
- Therefore, in exercise of its duty under section 22(1) of the Act, the CMA hereby makes a reference to its chair for the constitution of a group under Schedule 4 to the Enterprise and Regulatory Reform Act 2013 in order that the group may investigate and report, within a period ending on 26 October 2022, on the following questions in accordance with section 35(1) of the Act:
 - (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 within any market or markets in the United Kingdom for goods or services.

David Stewart
Executive Director, Markets and Mergers
Competition and Markets Authority
12 May 2022

¹ Formerly Capita (SSS) Limited.

Appendix B: Conduct of the inquiry

- We published the biographies of the members of the Inquiry Group conducting the phase 2 inquiry on the case page on 18 May 2022 and the administrative timetable for the inquiry was published on the case page on 26 May 2022.
- 2 On 14 June 2022, we published an issues statement on the case page, setting out the areas on which the inquiry would focus.
- On Monday 13 June 2022 and Thursday 16 June 2022, members of the Inquiry Group and CMA staff attended site visits with the Parties and their advisers. Some attendees were present in person at the Parties' offices, and some attended via video-conference.
- We received written evidence from the Parties in the form of submissions and responses to information requests (including by issuing notices under section 109 of the Act). Non-confidential versions of the Parties' response to the Phase 1 Decision and the issues statement are published on the case page. We also received a large number of internal documents from the Parties, as set out in Appendix C of the provisional findings report.
- We invited a wide range of interested parties to comment on the Merger, including customers, competitors and potential competitors, organisations involved during the sale of SSS, and the Police Digital Service. A number of third parties provided us with information by video call as well as by responding to supplementary written questions. Evidence was also obtained from third parties using written requests and questionnaires.
- We held separate main party hearings with the Parties on 27 July 2022 and 2 August 2022. We also held a hearing with Capita plc on 1 August 2022.
- In advance of those hearings, we provided to the Parties an annotated issues statement and a number of working papers setting out our emerging thinking. The Parties provided comments on our working papers and annotated issues statement on 4 August 2022. We also provided the Parties and third parties with extracts from our draft provisional findings for comments on accuracy and confidentiality.
- The Initial Enforcement Order issued in phase 1 remains in force.
- A non-confidential version of our provisional findings report has been published on the case page. As we have provisionally concluded that there are SLCs in ICCS and Duties, we have also published a Remedies Notice inviting comment from interested parties.

10	We would like to thank all those who have assisted us in our inquiry to date.			

Appendix C: Internal Documents

- We have reviewed the Parties' internal documents for evidence of their own views of the competitive constraints they face in the three relevant markets (ICCS, RMS and Duties).¹
- We provided the Parties with a working paper setting out our review of their internal documents (**Internal Documents WP**).
- This appendix describes our general approach to our review, the relevant internal documents, the Parties' response to the working paper and our assessment of the Parties' response for each document.

Parties' general views on the CMA assessment of internal documents

- SSS submitted that it believed the CMA to have relied on only a limited set of documents. SSS submitted that six out of the 25 unique documents referenced in the CMA's internal documents working paper were produced in 2018 or earlier. It submitted that historic documents do not reflect the current state of competition and that reliance on documents from that time risked the CMA making findings based on out-of-date information.
- SSS submitted that a number of internal documents need to be read in the specific context in which they were created. SSS submitted that the CMA had relied excessively on documents prepared in the context of the proposed sale of SSS. It noted that six of the unique documents referenced in the CMA's Internal Documents WP were prepared by SSS in the context of the sale process and not in the ordinary course of business and should thus be read in that light. Some of these documents were described by SSS as aspirational strategy outlines which intended to make the business attractive to potential buyers, with the lack of capital expenditure from Capita preventing SSS from turning them into actual business plans.

Our approach

We have conducted a targeted review of the relevant internal documents submitted by the Parties, particularly strategy documents and assessments

¹ CMA129, paragraph 4.13.

² SSS response to the Internal Documents WP, 4 August 2022, paragraph 2.1.

³ SSS response to the Internal Documents WP, 4 August 2022, paragraph 2.3.

⁴ SSS response to the Internal Documents WP, 4 August 2022, paragraph 2.2.

⁵ SSS response to the Internal Documents WP, 4 August 2022, paragraph 2.3.

⁶ SSS response to the Internal Documents WP, 4 August 2022, paragraph 2.5.

of specific opportunities.⁷ In our approach to this source of evidence, we have been mindful of the purpose of each document, the context and timeframe in which documents were produced, and the authors and intended audiences of each document. When reviewing the internal documents, we have looked for:

- (a) evidence of monitoring, benchmarking, bidding strategies and identification of risks and opportunities related to competitors; and
- (b) evidence of each of the Parties responding to competitors' offerings. In general, we have seen more evidence of the Parties referring to competitors rather than responding directly to them. Whilst evidence of a competitive response can be particularly informative, evidence of awareness/monitoring also provides valuable evidence of competitive constraints.
- Our assessment of the strength of competitors discussed in the documents has been based on a holistic assessment of the documents instead of applying any arithmetic or mechanistic assessment, such as counting the number of references to specific competitors. To assess the competitive constraint exerted by each competitor in the three relevant markets, we have taken account of the significance of references to competitors by consideration of multiple factors including the context in which such references are made, the form and substance in which each reference is made and, where relevant, the consistency of content across different references.
- We take note of the Parties' comments that our analysis has accounted for historic documents dating as far back as 2017, which may not accurately reflect the strength of current competitors in the relevant markets. Our assessment has accounted for the timing of such documents and has weighted them appropriately to acknowledge shifting competitive dynamics in the relevant markets.
- With regards to more recent documents (particularly those produced after the completion of the acquisition or during its contemplation)⁸, we consider that it is unclear how probative they are. Their recency means that they may better reflect current or future market conditions, however, documents produced after mid-2020 could be affected by incentives in relation to merger clearance, particularly where they make statements about future plans for

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⁷ We have also included a small number of documents held by the Parties but produced by third parties (eg an opportunity feedback letter).

⁸ We note that NECSWS [] (CMA Site Visit to NECSWS ,16 June 2022, page 10) and was formally made aware of the potential sale of SSS in January 2021 (NECSWS response to CMA RFI dated 13 June 22, question 38). SSS likely considered the sale over a similar time period.

the business or assess the competitive strength of the other merger party. We have therefore carefully considered the context when assessing this evidence and determining how much weight it is appropriate to place on different references in the documents.

We note that we have not considered internal documents in isolation in forming our provisional conclusions. In particular, we have given consideration to market developments potentially affecting the competitiveness of current suppliers, such as the gradual move to cloud-hosted solutions, in our competitive assessments of each of the relevant markets (see chapters 6,7 and 8). This assessment of market developments has been used alongside our assessment of internal documents and other evidence in reaching our provisional conclusions.

ICCS

Parties' views

- NECSWS submitted that our assessment had been based primarily on two of its internal documents discussing a single ICCS opportunity in 2019. NECSWS clarified that these documents were produced by a junior salesperson and thus should not be taken as representative of its current market views.⁹ It noted that a review of more recent documents would show how [≫].
- SSS considered that we had focused on a limited number of internal documents when forming our view on the competitiveness of its ICCS product and highlighted to us some of the more recent [%] customer feedback it had received on DSx. It noted that a review of its more recent internal documents would reveal [%] making it a [%] offering than that of competitors.

Our response to the Parties' views

We acknowledge that our review of NECSWS's documents has drawn on documents discussing a particular ICCS opportunity. However, we have also incorporated a number of other documents including those that NECSWS submitted in response to our working paper. We recognise that more recent documents can be informative and have reviewed the documents that NECSWS has referenced; however, we also consider that more recent documents may have been affected by consideration of the Merger.

⁹ NECSWS response to the Internal Documents WP, 4 August 2022, paragraph 1.2.

¹⁰ SSS response to the Internal Documents WP, 4 August 2022, paragraph 3.10.

14 We acknowledge SSS's views on the role of its internal documents and the potential for other evidence to complement or supersede this evidence. In this section, we have reviewed the internal documents themselves, but we consider them alongside all other evidence in the round in forming our provisional conclusion (see chapter 6).

NECSWS internal documents

15 We have reviewed NECSWS's internal documents for evidence of its own views of the competitive constraints that it faces.

Document 1: Annex 4.11 − [≫]

- 16 Document 1 discusses NECSWS's participation in the [%] opportunity. 11
 - In assessing the opportunity, [%]. 12
 - (b) [%]. 13
 - (c) [%]. ¹⁴ [%]. ¹⁵
 - (d) [%]. 16
 - (e) In its competitor analysis, [%]. 17

NECSWS's assessment of Document 1

- 17 In reference to the slide discussed in paragraph 16(a), NECSWS submitted that [%], there are eight police customers and seven fire customers on the framework. [%]. 18
- [%].¹⁹ 18
- 19 [%]:
 - (a) [%].²⁰
 - (b) [%].

¹¹ NECSWS Internal Document, Annex 4.11 to the Phase 1 s109(1), [≫], 19 December 2019.

¹² NECSWS Internal Document, Annex 4.11 to the Phase 1 s109(1), [X], 19 December 2019, slide 4.

¹³ NECSWS Internal Document, Annex 4.11 to the Phase 1 s109(1), [≫], 19 December 2019, slide 5.

¹⁴ NECSWS Internal Document, Annex 4.11 to the Phase 1 s109(1), [≫], 19 December 2019, slide 33.

¹⁵ NECSWS Internal Document, Annex 4.11 to the Phase 1 s109(1), [≫], 19 December 2019, slide 32.

¹⁶ NECSWS Internal Document, Annex 4.11 to the Phase 1 s109(1), [≫], 19 December 2019, slide 33.

¹⁷ NECSWS Internal Document, Annex 4.11 to the Phase 1 s109(1), [≫], 19 December 2019, slides 54-55.

¹⁸ NECSWS response to the Internal Documents WP, 4 August 2022, [≫], slide 18. ¹⁹ NECSWS response to the Internal Documents WP, 4 August 2022, [≫], slide 11.

²⁰ NECSWS response to the Internal Documents WP, 4 August 2022, [%], slide 11.

	(c)	[※].
20	[%].	21
		Our response to NECSWS's views on Document 1
21	We	acknowledge that [≫].
22	[%].	
23	[%].	
Docum	ent 2	: Annex 10.1.15
Document 2 sets out an analysis of a 2021 opportunity to supply ar solution [҈≫]. In particular:		ument 2 sets out an analysis of a 2021 opportunity to supply an ICCS tion [\gg]. In particular:
	(a)	[%].
	(b)	[%].
	(c)	[%]
	(d)	[%]. ²²
		NECSWS's assessment of Document 2
25	NECSWS has submitted that this slide represents the personal view/assessment of competition at the time by an NECSWS salesperson	
26	In relation to Motorola, NECSWS submitted that [≫]. ²³	
27	[%]. ²⁴	
		Our response to NECSWS's views on Document 2
28	We agree with NECSWS assessment of Motorola's solution as being [‰] and have reflected that in our competitive assessment.	

NECSWS response to the Internal Documents WP, 4 August 2022, [%], slides 15,16 and 17. NECSWS Internal Document, Annex 10.1.15 to the FMN, [%], May 2021, slide 4. NECSWS response to the Internal Documents WP, 4 August 2022, [%], slide 12. NECSWS response to the Internal Documents WP, 4 August 2022, [%], slide 12.

Document 3 - Annex 10.1.11

Document 3 provides an update on NECSWS's control room business. [] 25

NECSWS's assessment of Document 3

NECSWS submitted that [%].²⁶

Our response to NECSWS's views on Document 3

Our view is that this document demonstrates that previous performance of competitors does have an impact on how a competitor is viewed by NECSWS. [].

Document 4 - Annex 9.2.5

In a Tech Market View report produced in March 2021, [%].27

NECSWS's assessment of Document 4

NECSWS submitted that this [%].²⁸

Our response to NECSWS's views on Document 4

[%]. We acknowledge that market shares can be estimated with different methodologies and that the Parties have provided alternative market share estimates. We consider that both the Parties' own market share estimates and our own assessment of market shares (see chapter 6) also support this finding.

Document 5 - Annex 9.2.15

In a competition analysis carried out in July 2021, NECSWS lists [≫] as its current competitors. [≫].²⁹

NECSWS's assessment of Document 5

NECSWS submitted that, contrary to our claim that there has been a limited number of competitors, its [%].

²⁵ NECSWS Internal Document, Annex 10.1.11 to the FMN, [×], March 2021, slide 12.

²⁶ NECSWS response to the Internal Documents WP, 4 August 2022, [%], slide 13.

²⁷ NECSWS Internal Document, Annex 9.2.5 to the FMN, [×], March 2021, slide 6. ²⁸ NECSWS response to the Internal Documents WP, 4 August 2022, [×], slide 20.

²⁹ NECSWS Internal Document, Annex 9.2.15 to the FMN, [%], July 2021, slide 12.

37 NECSWS further submitted that competition in the ICCS market will not be affected by the Transaction because [%], as noted in this slide ('[%]' and '[%]'). [%].³⁰

Our response to NECSWS's views on Document 5

38 We continue to consider that this document (slide 12) shows that the ICCS market has a limited number of competitors. We consider we can draw high level views of the number of competitors and views on how concentrated the market both is, and has been historically, from this document. We place limited weight on this document with regards the strength of individual competitors and the intensity of competition, because of the limited degree of analysis contained within it. [%].

Document 6: Annex 9.2.4

39 In a 2021 internal document discussing the Merger, [%].31

NECSWS's assessment of Document 6

- 40 NECSWS submitted that the purpose of this presentation was [%].32
- 41 [%].33

Our response to NECSWS's views on Document 6

42 We consider that this document shows that [%].

Document 7: Annex 18.1.2

- 43 In a 2018 presentation to the [%] Committee, NECSWS notes that:
 - (a) [%].³⁴
 - (b) [%].35

NECSWS's assessment of Document 7

NECSWS submitted that [%].36 44

³⁰ NECSWS Internal Document, Annex 9.2.15 to the FMN, [≫], July 2021, slide 12.

³¹ NECSWS Internal Document, Annex 9.2.4 to the FMN, [≫], February 2021, slide 11.

 $^{^{32}}$ NECSWS response to the Internal Documents WP, 4 August 2022, [\gg], slide 95. 33 NECSWS response to the Internal Documents WP, 4 August 2022, [\gg], slide 95.

³⁴ NECSWS Internal Document, Annex 18.1.2 to the FMN [≫], December 2018, slide 5. 35 NECSWS Internal Document, Annex 18.1.2 to the FMN' [≫], December 2018, slide 7.

³⁶ NECSWS response to the Internal Documents WP, 4 August 2022, [X], slide 102.

Our response to NECSWS's views on Document 7

- This document demonstrates that [%].
- 46 [%].

Document 8: Annex 9.2.13

In a 2021 presentation prepared for SSS's management regarding the sale of SSS NECSWS states that [%].³⁷ [%].³⁸ [%].³⁹

NECSWS's assessment of Document 8

48 NECSWS has stated that this document demonstrates that [\gg].⁴⁰

Our response to NECSWS's views on Document 8

Our view is that the statement that [%].

Document 9: Annex 10.1.13

In a 2021 document setting out an opportunity to supply ICCS [%].41

NECSWS's assessment of Document 9

NECSWS submitted that this document shows that it benchmarks against [**] as one of its key competitors.⁴²

Our response to NECSWS's views on Document 9

52 [%].

Document 10: Annex 9.2.17

In a 2021 document that considers the Merger [X], 43 and that [X]. 44

³⁷ NECSWS Internal Document, Annex 9.2.13 to the FMNI, [≫], April 2021, slide 13.

 $^{^{38}}$ NECSWS Internal Document, Annex 9.2.13 to the FMNI, [\gg], April 2021, slide 8.

⁴⁰ NECSWS response to the Internal Documents WP, 4 August 2022, paragraph 1.2.2(B).

⁴¹ NECSWS Internal Document, Annex 10.1.13 to the FMN, [%], April 2021, slide 15.

⁴² NECSWS response to the Internal Documents WP, 4 August 2022, [X], ICCS slide 9.

⁴³ NECSWS Internal Document, Annex 9.2.17 to the FMN, []×], July 2021, slide 15.

⁴⁴ NECSWS Internal Document, Annex 9.2.17 to the FMN, [%], July 2021, slide 15.

NECSWS's assessment of Document 10

54 NECSWS submitted that this document demonstrates [%]. 45

Our response to NECSWS's views on Document 10

- 55 In our view this document was created knowing that this Merger would require CMA approval (as highlighted on slide 13) and so we place more limited weight on this document.
- 56 However, we recognise that [%].
- 57 [%].

SSS internal documents:

We have reviewed SSS's internal documents for evidence of its views of the 58 competitive constraints that it faces.

Document 12 - Annex 604

- 59 In a 2022 internal document discussing SSS's strategy for the ICCS market:
 - (a) [×].46

Document 13 - Annex 825

- 60 In a 2022 email discussing a market test [%]:
 - (a) [**%**].
 - (b) $[\%].^{47}$

Document 14 - Annex 9.3.4

61 In a 2020 report providing an overview of SSS's products, [X].⁴⁸

SSS's assessment of Document 14:

62 SSS submitted that the market definition used in this document for the Control Rooms solutions market differs from the ICCS market definition adopted by the CMA. As a result, SSS submitted that this document should

⁴⁵ NECSWS response to the Internal Documents WP, 4 August 2022, [≫], slide 10.

⁴⁶ SSS Internal Document, Annex 604 to RFI 3, [≫], February 2022, slide 4. ⁴⁷ SSS Internal Document, Annex 825 to RFI 3, '[≫], March 2022.

⁴⁸ SSS Internal Document, Annex 9.3.4 to the FMN, '[],' September 2020, slide 24.

not be relied on as an accurate view of competitors in the ICCS product market.49

Our response to SSS's views on Document 14:

63 We acknowledge that the terminology []. Therefore, our view is that this document supports the findings of other documents.

Document 15 - Annex 059

64 This 2021 document contains a pipeline of some future opportunities, [\infty].50

SSS's assessment of Document 15

65 SSS submitted that it is not accurate to refer to this document as providing an overview of all future contract opportunities as it has a narrower purpose and focus.⁵¹ [\gg].

Our response to SSS's views on Document 15

66 Although we acknowledge SSS's comments, we have not referred to this document as providing an overview of all future ICCS contract opportunities in our analysis. [%].

Document 16 - Annex 075

- 67 In a 2019 document reviewing its ICCS solution for [%]. SSS also discusses its identified strengths and weaknesses, including:
 - (a) [%]; and
 - (b) [%].⁵²

Document 17 - Annex 10.2.24

- 68 In a qualification review for the [%] 2021 opportunity:
 - (a) $[\%].^{53}$
 - (b) SSS conducts a competitor analysis comparing itself with [%]. [%]. 54

⁴⁹ SSS response to the Internal Documents WP, 4 August 2022, Appendix 1 - item 1, '[≫]'.

⁵⁰ SSS Internal Document, Annex 059 to the Phase 1 s102(2), [≫], May 2021, slide 5.
51 SSS response to the Internal Documents WP, 4 August 2022, Appendix 1 – item 2, '[≫], slide 5.

⁵² SSS Internal Document, Annex 075 03 to the Phase 1 s109(2), [≫], June 2019, slide 6.

⁵³ SSS Internal Document, Annex 10.2.24 to the FMN, [≫], June 2021, slide 4.
54 SSS Internal Document, Annex 10.2.25 to the FMN, [≫], June 2021, slide 74.

(c) [%].55

SSS's assessment of Document 17

- 69 $[\%].^{56}$
- $[\%].^{57}$ 70
- 71 $[\%].^{58}$

Our response to SSS's views on Document 17

72 [%].

Document 18 - Annex 383

73 In a document outlining an opportunity for a Dispatch Communications Server (**DCS**) and an ICCS [%] in 2020. [%].⁵⁹ [%].⁶⁰

Document 19 - Annex 543

74 In a 2021 document reviewing SSS's ICCS solution [%].61

Document 20 - Annex 10.2.23

- 75 In a 2021 document outlining SSS product strategy for ICCS:
 - (a) [%].62
 - (b) [%].63
 - (c) [%].64
 - (d) [%].65
- 76 SSS conducts a [%] analysis showing that:

⁵⁵ SSS Internal Document, Annex 10.2.25 to the FMN, [≫]', June 2021, slide 75.

⁵⁶ SSS response to the Internal Documents WP, 4 August 2022, paragraph 3.3.9.

⁵⁷ SSS response to the Internal Documents WP, 4 August 2022, Appendix 1 - item 4, [≫].

⁵⁸ SSS response to the Internal Documents WP, 4 August 2022, Appendix 1 - item 29, [≫], slide 75.

⁵⁹ We understand that Steria does not compete in the ICCS market (and this document also notes that Steria does not offer a standalone ICCS) so we infer that Steria is included in relation to the DCS part of the opportunity.

⁶⁰ SSS Internal Annex 383 to the Phase 1 s109(2) [≫], November 2020, slide 8.

⁶¹ SSS Internal Document, Annex 543 to the Phase 1 s109(2), '[≫]', August 2021, slide 4.

 $^{^{62}}$ SSS Internal Document, Annex 10.2.23 to the FMN, [\gg], May 2021, slide 46. 63 SSS Internal Document, Annex 10.2.23 to the FMN, [\gg], May 2021, slide 47.

 $^{^{64}}$ SSS Internal Document, Annex 10.2.23 to the FMN, $[\![\gg]\!]$, May 2021, slide 51.

⁶⁵ SSS Internal Document, Annex 10.2.23 to the FMN, []X], May 2021, slide 50.

(a) [**※**]. (b) [%].

(c) [%].66

- SSS's assessment of Document 20
- [%].6777
- 78 [%]:
 - (a) [**%**].
 - (b) [%].⁶⁸
- [%].69 79
- 80 [%]. Namely:
 - (a) [%];
 - (b) [%];
 - (c) [%].
 - (d) [%]
 - (e) [%].⁷⁰

Our response to SSS's views on Document 20

Our view is that [%].⁷¹ [%].⁷² 81

Document 21 - Annex 10.2.21

82 In a 2021 competitor assessment, SSS recognises [%] as competitors in the ICCS market. [%].73

⁶⁶ SSS Internal Document, Annex 10.2.23 to the FMN, [≫], May 2021, slide 39.

⁶⁷ SSS response to the Internal Documents WP, Appendix 1 - item 6, '[%].

⁶⁸ SSS response to the Internal Documents WP, Appendix 1 - item 7, [%].
69 SSS response to the Internal Documents WP, Appendix 1 - item 9, [%].
70 SSS response to the Internal Documents WP, 4 August 2022, Appendix 1 - item 3, [%].

⁷¹ Response to the CMA questionnaire from [≫], 19 August 2022.

 $^{^{72}}$ Note of a call with [\gg], July 2022, paragraph 8.

⁷³ SSS Internal Document, Annex 10.2.21 to the FMN, [≫], March 2021, pages 17 and 18.

SSS's assessment of Document 21

SSS submitted that it considers [\gg] is a strong competitor of SSS in ICCS. SSS further submitted that it does not consider [\gg] as a close competitor in ICCS [\gg].⁷⁴

Our response to SSS's views on Document 21

We acknowledge SSS's comments and have separately considered data on recent opportunities in our competitive assessment. However, we believe that this document does show that SSS considered [\gg] as a competitor in the ICCS market and monitored it accordingly.

Document 22 - Annex 1.1.1 001 6.1

- In a 2018 document providing an overview of SSS's ICCS solution:
 - (a) [%].
 - (b) [%].
 - (c) [%].⁷⁵

SSS's assessment of Document 22

SSS submitted that this slide is dated August 2018 and is therefore out of date and the conclusions contained therein are therefore not reflective of the market currently, save for the comment with regards to [36].

Our response to SSS's views on Document 22

We acknowledge that the conclusions contained in this document may be outdated and thus may not accurately reflect the current strength of competitors in the ICCS market. Specifically, we agree [%].

Document 23 - Annex 431

88 [%]:

- (a) [**%**].
- (b) [**※**].

⁷⁴ SSS response to the Internal Documents WP, 4 August 2022, Appendix 1 - item 8, [≫].

⁷⁵ SSS Internal Document, Annex 1.1.1 001 to the Phase 1 s109(2), [≫], August 2018, slide 4.

⁷⁶ SSS response to the Internal Documents WP, 4 August 2022, Appendix 1 - item 10, [≫] '.

- (c) [X].
- (d) [\gg].⁷⁷

SSS's assessment of Document 23

SSS submitted that [%].78 89

Our response to SSS's views on Document 23

90 Although we acknowledge that [%]. This finding is further supported by the data we gathered on recent opportunities and data from third parties, as discussed in our competitive assessment (see chapter 6).

Document 24 - Annex 134

91 In a 2021 letter sent by [X] to SSS following its bid [X]. 79

Document 25 - Annex 135

92 In a 2018 letter sent by the [%] following SSS's bid [%].80

Document 26 - Annex 183

- 93 In a March 2022 strategy document, SSS notes that:
 - (a) [**%**].
 - (b) [%].81

Document 27 - Annex 220

- 94 In a June 2022 document reviewing its UX/UI, SSS notes that:
 - (a) [%].82
 - (b) [%].83
- 95 It is important to note that this document was produced after the CMA had started its Phase two investigation.

⁷⁷ SSS Internal Document, Annex 355 to the Phase 1 s109(2), [≫], March 2021, slide 4.

⁷⁸ SSS response to the Internal Documents WP, 4 August 2022, Appendix 1 - item 11, [≫].

⁷⁹ SSS Internal Document, Annex 134 to RFI 2, [≫], November 2021, page 2.

⁸⁰ SSS Internal Document, Annex 135 to RFI 2, [%], July 2018, page 2.
81 SSS Internal Document, Annex 183 to RFI 2, [%], March 2022, slide 15.

⁸² SSS Internal Document, Annex 220 to RFI 2, [≫], June 2022, slide 2.

⁸³ SSS Internal Document, Annex 220 to RFI 2, [36], June 2022, slide 3.

Document 28 - Annex 10.2.28

In a 2021 document outlining its strategy for the Control Room Communications sector, []×].84

SSS's assessment of Document 28

97 SSS submitted that this document was produced to support the sale of SSS [%].85

Our response to SSS's views on Document 28

Our view is that this document demonstrates that [%].

Document 29 - Annex 148/Annex 2526

SSS's assessment of Document 29

- In its response to our Internal Documents WP, SSS referenced a strategy document dated August 2020 which notes that:
 - (a) [%].86
 - (b) [%].87

Our response to SSS's views on Document 29

- We believe the slides highlighted by SSS in this internal document do not concern the relevant market for our analysis (ie the ICCS market). This conclusion is supported by:
 - (a) [**%**].
 - (b) [%].
 - (c) [%].
- 101 [%].

⁸⁴ SSS Internal Document, Annex 10.2.28 to the FMN, [36], August 2021, slide 2.

⁸⁵ SSS response to the Internal Documents WP, 4 August 2022, Appendix 1 - item 28, '[%]'.

⁸⁶ SSS Internal Document, Annex 148 to RFI 3, [≫], August 2020, slide 2.

⁸⁷ SSS Internal Document, Annex 148 to RFI 3, [≫], August 2020, slide 13.

SSS's assessment of Document 30

102 In its response to our Internal Documents WP, SSS referenced a strategy document dated April 2022. [%].88

Our response to SSS's views on Document 30

103 [%]. We [%] note that it has been prepared during the course of the CMA's merger inquiry (Phase 1). We therefore place low weight on this version.

Document 31 - Annex 2365/Annex 136

SSS's assessment of Document 31

104 In its response to our Internal Documents WP, SSS referenced a document [%].89

Our response to SSS's views on Document 31

105 We recognise that [≫]. We note that this document has been prepared during the course of consideration of the Merger.

Duties

NECSWS internal documents:

Document 32 - Annex 7.6

106 In an update on its position in the Duties market, [%].90

NECSWS's assessment of Document 32

NECSWS submitted that [%].91 107

Our response to NECSWS's views on Document 32

108 Although we note that $[\times]$.

 $^{^{88}}$ SSS Internal Document, Annex 638 to the FMN, [\gg], April 2022, slide 12. 89 SSS Internal Document, Annex 136 to the FMN, [\gg], July 2021, slide 4.

⁹⁰ NECSWS Internal Document, Annex 7.6 to the Phase 1 s109(1), [≫], undated, page 1.

⁹¹ NECSWS response to the Internal Documents WP, [%], slide 71.

Document 33 - Annex 7.1

NECSWS's assessment of Document 33

NECSWS submitted that for this opportunity a cloud-based offering was preferred to on-premise, [] 93

Our response to NECSWS's views on Document 33

We recognise that [≫]. We discuss the role of cloud-based solutions and the Parties' ability to compete for them in chapter 7.

Document 34 - Annex 7.3

- In a 2020 document discussing the upcoming [\infty]⁹⁴ tender:
 - (a) NECSWS compares its own Duties product against [%].95
 - (b) [%].⁹⁶
 - (c) [%].⁹⁷
 - (d) [%].⁹⁸

NECSWS's assessment of Document 34

- 113 [**%**].⁹⁹
- 114 [%]. 100
- 115 [%]. ¹⁰¹

Our response to NECSWS's views on Document 34

We acknowledge that market shares reflect historic wins and are not the best indicators of the current strength of suppliers; for this reason, we have

⁹² NECSWS Internal Document, Annex 7.1 to the Phase 1 s109(3), [≫], February 2019, slide 2.

⁹³ NECSWS response to the Internal Documents WP, 4 August 2022, [32], slide 72.

^{94 [%]}

⁹⁵ NECSWS Internal Document, Annex 7.3 to the Phase 1 s109(1[%], February 2020, slide 20.

⁹⁶ NECSWS Internal Document, Annex 7.3 to the Phase 1 s109(1), [≫], February 2020, slide 21.

⁹⁷ NECSWS Internal Document, Annex 7.3 to the Phase 1 s109(1), [≫], February 2020, slide 77.

⁹⁸ NECSWS Internal Document, Annex 7.3 to the Phase 1 s109(1), [≫], February 2020, slide 78.

⁹⁹ NECSWS response to the Internal Documents WP, 4 August 2022, '[X], slide 73/74.

¹⁰⁰ NECSWS response to the Internal Documents WP, 4 August 2022 [X], slide 75.

¹⁰¹ NECSWS response to the Internal Documents WP, 4 August 2022, [≫], slide 76.

considered market shares alongside other evidence in our competitive assessment. [%].

Document 35 - Annex 190

- In a 2021 document outlining its mid-term plan for the public safety market for the Fiscal Years 2023-27:
 - (a) [%]. 102
 - (b) [%]. 103

Document 36 - Annex 191

118 In a March 2021 email [%]. 104

Document 37 - Annex 191

NECSWS's assessment of Document 37

In its response to our Internal Documents Working Paper, NECSWS referenced a July 2021 document discussing the Merger. In an analysis of competitors' market shares in the Duties market within this document, NECSWS states that [] 105

Our response to NECSWS's views on Document 37

We consider that the content of this document may have been influenced by the CMA's review of the Merger. [≫]. 106

SSS internal documents:

Document 38 - Annex 10.2.23

- In a May 2021 document outlining SSS's strategy for its Duties Product:
 - (a) SSS benchmarks its own product against [≫]. 107

 $^{^{102}}$ NECSWS Internal Document, Annex 190 to the CMA queries of 28 July following main party hearing, [\gg], September 2021, slide 3.

¹⁰³ NECSWS Internal Document, Annex 190 to the CMA queries of 28 July following main party hearing, [≫], September 2021, slide 4.

¹⁰⁴ NECSWS Internal Document, Annex 191 to the CMA queries of 28 July following main party hearing, [≫], March 2021.

¹⁰⁵ NECSWS Internal Document, Annex 9.2.18 to the FMN, [≫], July 2021, slide 10.

¹⁰⁶ NECSWS Internal Document, Annex 9.2.4 to the FMN, [³≪], February 2021, slide 11.

¹⁰⁷ SSS Internal Document, Annex 10.2.23 to the FMN, [※], May 2021, slide 121.

	(b)	[※]:	
		(i) [※].	
		(ii) [※].	
		(iii) [※].	
		(iv) [≫]. ¹⁰⁸	
	(c)	In its competitor analysis, [≫]. ¹⁰⁹	
	(d)	[※]:	
		(i) [※].	
		(ii) [※].	
		(iii) [≪]. ¹¹⁰	
		SSS's assessment of Document 38	
122		submitted that this document was prepared by SSS in the context of the process and not in the ordinary course of business. [≫]. ¹¹¹	ıe
123	[%]	12	
		Our response to SSS's assessment of Document 38	
124	We	onsider that [涎] (see chapter 5).	
Docum	Document 39 – 623 02 Solution Deck		
125		2021 document reviewing an opportunity to provide Duties for [\gg], SS es out a SWOT analysis in which:	S
	(a)	[lepha].	
	(b)	[lepha].	
	(c)	[※]. ¹¹³	

¹⁰⁸ SSS Internal Document, Annex 10.2.23 to the FMN, [≫], May 2021, slide 124.
109 SSS Internal Document, Annex 10.2.23 to the FMN, [≫], May 2021, slides 114-115.
110 SSS Internal Document, Annex 10.2.23 to the FMN, [≫], May 2021, slide 100.
111 SSS response to the Internal Documents WP, 4 August 2022, paragraph 2.5.
112 SSS response to the Internal Documents WP, 4 August 2022, Appendix 1 – item 26, [≫].
113 SSS Internal Document, Annex 653 to the Phase 1 s109(2), [≫], January 2021, slide 8.

SSS's assessment of Document 39

126 SSS submitted that since this document was produced, [%]. 114

Our response to SSS's views on Document 39

127 We acknowledge that market dynamics may have evolved since this document was produced in January 2021. [%].

Document 40 - Annex 559

128 In a 2018 document discussing a procurement process for Duties [%]. 115

SSS's assessment of Document 40

129 SSS submitted that this is a 2018 document, produced by the SSS sales team, concerning a specific opportunity and should not be seen as reflecting the current state of the market or the quality of the Origin product. [%]. 116

Our response to SSS's views on Document 40

130 We acknowledge that this 2018 document may not capture the current state of the Duties market or the competitiveness of the Origin product, [%].

Document 41 – Annex 560

131 In an April 2018 document discussing a procurement process for Duties [**%**]. ¹¹⁷

SSS's assessment of Document 41

132 SSS submitted that this is a 2018 document concerning a specific opportunity and should not be seen as reflecting the current state of the market or the quality of the Origin product. [%]. 118

Our response to SSS's views on Document 41

133 We acknowledge that this 2018 document may not capture the current state of the Duties market or the competitiveness of the Origin product, but it does capture SSS's perception in 2018.

¹¹⁴ SSS response to the Internal Documents WP, 4 August 2022, Appendix 1 – item 20, [%].

¹¹⁵ SSS Internal Document, Annex 559 to the Phase 1 s109(2), [X], April 2018, slide 8.

¹¹⁶ SSS response to the Internal Documents WP, 4 August 2022, Appendix 1 – item 21, [%].

¹¹⁷ SSS Internal Document, Annex 560 to the Phase 1 s109(2), [X], April 2018, slide 5.
118 SSS response to the Internal Documents WP, 4 August 2022, Appendix 1 – item 23, [X].

Document 42 - Annex 10.2.21

134 In an April 2021 competitor assessment [%]. 119

SSS's assessment of Document 42

SSS submitted that [%]. 120 135

Our response to SSS's views on Document 42

- 136 We note that although some of the information in this document refers to the other markets [%]. For example:
 - (a) [**%**]
 - (b) [%].

Document 43 - Annex 10.2.22

- 137 In a competitor summary produced in 2021:
 - (a) [X]. 121
 - (b) [%]. 122

SSS's assessment of Document 43

138 SSS submitted that it does not consider that this competitor analysis is representative of the Duties market currently. [%]. 123

Our response to SSS's views on Document 43

We acknowledge SSS's comments and have separately considered data on 139 recent opportunities and market developments [%].

Document 44 - Annex 1.1.3

- 140 In a 2018 document containing a competitor analysis for the Duties market:
 - (a) [**※**].

¹¹⁹ SSS Internal Document, Annex 10.2.21 to the FMN, [1867], March 2021, pages 20 and 30.

¹²⁰ SSS response to the Internal Documents WP, 4 August 2022, Appendix 1 – item 22, [≫], slide 24.

¹²¹ SSS Internal Document, Annex 10.2.22 to the FMN, [≫], March 2021, slide 24.
122 SSS Internal Document, Annex 10.2.22 to the FMN, [≫], March 2021, DOCID NCP-000008692, slide 26.

¹²³ SSS response to the Internal Documents WP, 4 August 2022, Appendix 1 – item 22, [≫], slide 24.

(b) [**%**]. (c) [%]. 124 SSS's assessment of Document 44 SSS submitted that this is a 2018 document, [X]. 125 Our response to SSS's views on Document 44 [%]. We consider the future competitiveness of Origin in our competitive assessment, [%]. Document 45 - Annex 10.2.31 In a 2021 document outlining SSS's strategy for its Duties product: (a) [**%**]. (b) [%]. (c) [X] (d) [%]. (e) [%]. 126 SSS's assessment of Document 45 SSS submitted that [%]. 127 Our response to SSS's views on Document 45 We acknowledge SSS's comments [%].

145

Document 46 - Annex 058

141

142

143

144

- 146 In a 2021 document reviewing the performance of its Origin product:
 - (a) [**%**].
 - (b) [**※**].

¹²⁴ SSS Internal Document, Annex 1.1.3 to the Phase 1 s109(2), [≫], September 2018, page 3.

¹²⁵ SSS response to the Internal Documents WP, 4 August 2022, Appendix 1 – item 24, '[×]'.

¹²⁶ SSS Internal Document, Annex 10.2.31 to the FMN, [≫], 2021, slide 2.

¹²⁷ SSS response to the Internal Documents WP, 4 August 2022, Appendix 1 – item 25, '[%]'.

- (c) [X]
- (d) [%]. 128

SSS's assessment of Document 46

SSS submitted that [%]. 129 147

Our response to SSS's views on Document 46

148 We acknowledge SSS's comments and have looked further into how the role of cloud-based solutions and the future competitiveness of the Origin product in our competitive assessment (see chapter 7 – market developments).RMS

NECSWS internal documents:

Document 47 - Annex 4.4

- 149 In an internal document discussing NECSWS's participation in the [X] 2019 tender:
 - (a) [%]. 130
 - (b) [%]. ¹³¹
 - (i) [\mathbb{X}].
 - (ii) [**※**].
 - (iii) [**≫**].
 - (a) [X]. 132
 - (c) [%].¹³³
 - (d) [%]. 134

¹²⁸ SSS Internal Document, Annex 058 to the Phase 1 s109(2), [≫], February 2021, slide 5.

¹²⁹ SSS response to the Internal Documents WP, 4 August 2022, Appendix 1 – item 27, '[‰] '.

¹³⁰ NECSWS Internal Document, Annex 4.4. to the Phase 1 s109(1), '[≫], March 2019, slide 8.

¹³¹ NECSWS Internal Document, Annex 4.4. to the Phase 1 s109(1), [\gg], March 2019, slide 6.
132 NECSWS Internal Document, Annex 4.4. to the Phase 1 s109(1), [\gg].', March 2019, slide 3 and 4.
133 NECSWS Internal Document, Annex 4.4. to the Phase 1 s109(1), [\gg].', March 2019, slide 11.
134 NECSWS Internal Document, Annex 4.4. to the Phase 1 s109(1), '[\gg].', March 2019, slide 13.

NECSWS's assessment of Document 47

150	NECSWS submitted that this deck, produced in 2019 by one NECSWS
	salesperson, does not necessarily provide an accurate or current view of
	competition in the RMS market as seen by NECSWS. [×]. 135

- 151 [%].136
- 152 [%]:
 - (a) [**%**].
 - (b) [**%**].
 - (c) [%].
- [%]137 153
- [%].138 154

Our response to NECSWS's assessment of Document 47

- 155 We agree with NECSWS that [≫].
- 156 We are aware that the market standing of suppliers may have evolved since the document was produced in 2019 and have accounted for this in our interpretation of this document, as well as in the weight placed on it in our analysis.
- 157 [\mathbb{X}].

Document 48 - Annex 9.2.15

158 A competition analysis produced by NECSWS in 2021 [%]. 139 [%].

NECSWS assessment of Document 48

NECSWS submitted that [%]. 140 159

¹³⁵ NECSWS response to the Internal Documents WP, 4 August 2022, paragraph 1.3.1a.

¹³⁶ NECSWS response to the Internal Documents WP, 4 August 2022, Annex 1 paragraph 47.

¹³⁷ NECSWS response to the Internal Documents WP, 4 August 2022, [≫], slides 49 to 51.
138 NECSWS response to the Internal Documents WP, 4 August 2022, paragraph 1.3.2 b.

¹³⁹ NECSWS Internal Document, Annex 9.2.15 to the FMN, [X], July 2021, slide 13.

¹⁴⁰ NECSWS response to the Internal Documents WP, 4 August 2022, [%], slide 52.

In an email dated April 2021 discussing the RMS market, [%]. 141

SSS internal documents:

Document 50 - Annex 10.2.23

In a 2021 document outlining SSS's product strategy for RMS:

- (a) [%]. ¹⁴²
- (b) [%]. ¹⁴³
- (c) [%]. 144
- (d) [%].¹⁴⁵

162 [**%**]:¹⁴⁶

- (a) [**※**].
- (b) [%].
- (c) [%].

163 [%]:

- (a) [**%**].
- (b) [%].
- (c) [%].
- (d) [**%**].
- (e) [%]. ¹⁴⁷

164 [%].¹⁴⁸

¹⁴¹ NECSWS Internal Document, HSF0001254 to RFI 3, [≫], April 2021.

¹⁴² SSS Internal Document, Annex 10.2.23 to the FMN, [※], May 2021, slide 117.

¹⁴³ SSS Internal Document, Annex 10.2.23 to the FMN, [×], May 2021, slide 124.

¹⁴⁴ SSS Internal Document, Annex 10.2.23 to the FMN, [≫], May 2021, slide 105.

¹⁴⁵ SSS Internal Document, Annex 10.2.23 to the FMN, [X], May 2021, slide 105.

¹⁴⁶ SSS Internal Document, Annex 10.2.23 to the FMN, [×], May 2021, slide 108.

¹⁴⁷ SSS Internal Document, Annex 10.2.23 to the FMN, [\gg], May 2021, slide 101. ¹⁴⁸ SSS Internal Document, Annex 10.2.23 to the FMN, [\gg], May 2021, slide 110.

SSS's assessment of Document 50

- 165 SSS submitted that this document was prepared by SSS in the context of the sales process and not in the ordinary course of business. [%]. 149
- 166 [%]:
 - (a) [%].
 - (b) [**※**].
 - (c) [%]. 150
- 167 [**%**]. ¹⁵¹
- [%]. 152 168
- 169 [%]:
 - (a) [**※**].
 - (b) [%]. 153

Our response to SSS's views on Document 50

170 We note that this document was prepared in the context of the sales process and have considered that in our assessment of it. [%].

Document 51 - Annex 10.2.22

- 171 In a 2021 summary of its competitors in the RMS market:
 - (a) [\approx]. 154
 - (b) [%]. ¹⁵⁵

¹⁴⁹ SSS response to the Internal Documents WP, 4 August 2022, paragraph 2.5.

¹⁵⁰ SSS response to the Internal Documents WP, 4 August 2022, Appendix 1. – item 12, [≫] 151 SSS response to the Internal Documents WP, 4 August 2022, Appendix 1 – item 16, [≫] 152 SSS response to the Internal Documents WP, 4 August 2022, Appendix 1 – item 18, [≫] 153 SSS response to the Internal Documents WP, 4 August 2022, Appendix 1 – item 19, [≫] 154 SSS response to the Internal Documents WP, 4 August 2022, Appendix 1 – item 19, [≫]

¹⁵⁴ SSS Internal Document, Annex 10.2.22 to the FMN, [≫] March 2021, page 21. 155 SSS Internal Document, Annex 10.2.22 to the FMN, [≫] March 2021, page 23.

SSS's assessment of Document 51

- 172 SSS submitted that this document was prepared in the context of the sales process and not in the ordinary course of business and should be read in that light. 156
- 173 [**%**].¹⁵⁷

Our response to SSS's views on Document 51

174 We acknowledge that [%].

Document 52 - Annex 10.2.32

- 175 In a late 2021 document outlining SSS's strategy for its RMS product:
 - (a) [%].
 - (b) [%].¹⁵⁸

SSS's assessment of Document 52

176 [≫], SSS submitted that Niche is still considered to be the strongest competitor within RMS, with competition in the market mainly driven between Niche and NECSWS [≫]. 159

Our response to SSS's views on Document 52

Our analysis acknowledges that Niche is the strongest competitor in the RMS market [].

Document 53 - Annex 100

In a 2018 document discussing its participation in the [≫] RMS tender, [≫]. [≫]. ¹⁶⁰

SSS's assessment of Document 53

179 SSS submitted that this was a 2018 document concerning a specific opportunity and should not be seen as reflecting the current competitive landscape for RMS. SSS stated that:

¹⁵⁶ SSS response to the Internal Documents WP, 4 August 2022, paragraph 2.5.

¹⁵⁷ SSS response to the Internal Documents WP, 4 August 2022, Appendix 1 - items 13 and 14, [%]

¹⁵⁹ SSS response to the Internal Documents WP, 4 August 2022, paragraph 4.3.1.

¹⁶⁰ SSS Internal Document, Annex 100 to the Phase 1 s109(2), [≫], August 2018, slide 9.

- (a) [≫].
- (b) [≪].
- (c) [%].¹⁶¹

Our response to SSS's views on Document 53

- 180 We agree with SSS's assessment [≫].
- 181 [%].

161 SSS response to the Internal Documents WP, 4 August 2022, Appendix 1 - item 17, [%].

Appendix D: Customer Questionnaires

Introduction

In assessing the effects of a merger, the CMA will often gather evidence and views from customers in the relevant market(s). This appendix describes our approach to gathering customer evidence for our assessment of this Merger. It also sets out customers' views on the impact of the Merger in the two markets where we have provisionally found SLCs.

Methodology

- We have collected evidence from a range of ICCS, Duties and RMS customers, covering emergency services, transport and other customers.²
- 3 In particular, we contacted:
 - (a) 48 police forces;
 - (b) 5 fire and rescue services;
 - (c) 14 ambulance trusts; and
 - (d) 8 transport providers.
- We recognise that many emergency services undertake procurement jointly or in combination with other emergency services in the same region. Where this occurs we have taken account of the combined views of those emergency services as a single customer and treated their joint procurement as a single opportunity. In this appendix we therefore refer to customers to mean either an individual emergency service procuring for itself or a consortium of services procuring together. Taking this into account we consider that the relevant customer numbers are:
 - (a) 39 police customers;
 - (b) 37 fire and rescue customers;
 - (c) 2 ambulance customers;3 and
 - (d) 8 transport customers.

¹ CMA129, para 4.13.

² The emergency services customers are described in more detail in the main body of our provisional findings. In addition, we received evidence from $[\mbox{\ensuremath{\%}}]$, $[\mbox{\ensuremath{\%}}]$ and $[\mbox{\ensuremath{\%}}]$.

We have contacted all the emergency services customers that we identified. We received responses from numerous customers but we have not received a response from all customers, or where we have received a response it may not have covered every question.

Phase 1

- At phase 1 the CMA sent customer questionnaires (one in relation to tenders and one qualitative questionnaire) to all relevant emergency services and some transport customers. The CMA also had calls with a few customers.⁴
- We received responses from:
 - (a) 19 police customers (including 16 responses to our qualitative questionnaire);
 - (b) 23 fire and rescue customers (including 18 responses to our qualitative questionnaire);
 - (c) 1 ambulance customer (directly and from 8 ambulance trusts which are part of this customer); and
 - (d) 3 transport customers.

Phase 2

- At phase 2, we further focused our evidence gathering. We took account of our provisional views on market definition and we focused our evidence gathering for each market on certain customer segments. For ICCS we obtained evidence from police and fire and rescue customers (we had existing evidence from ambulance services from phase 1).⁵ For Duties and RMS we focused on police forces.
- In phase 2, we either sent a questionnaire, or follow up questions to questionnaire responses received at phase 1 to all police forces and fire and rescue services in the UK. We also had calls with a few customers.⁶
- 10 We received questionnaire responses from:⁷
 - (a) 26 police customers; and

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 $^{^{4}}$ [\times], [\times], [\times] and [\times].

⁵ We received evidence from the Ambulance Radio Programme, which ran an ICCS tender in 2016 on behalf of all NHS Ambulance Trusts in England, Scotland and Wales during phase 1 of the inquiry. It therefore represents the majority of ambulance services in the UK for the purposes of ICCS procurement.

⁶ [×], [×] and [×].

⁷ We also received a number of responses to clarification questions sent following responses received at phase 1.

- (b) 18 fire and rescue customers.
- Across both phase 1 and phase 2 responses, the quality of the responses to our questionnaire varied by question and respondent. Indeed, many respondents did not respond to all questions in the questionnaire. The weight that can therefore be attributed to answers to any particular question may vary.
- In particular, at phase 1 the CMA asked customers about which alternative suppliers could meet their software requirements in ICCS, Duties and RMS. At phase 2, we instead asked customers about their assessment of suppliers in their most recent procurement, and those responses are taken into account in our opportunities analysis.
- The responses we received included responses from customers who had conducted a procurement process (eg tender, direct award or extension) in one of the relevant markets in the last five years. Specifically:
 - (a) 35 respondents had conducted a procurement process in ICCS;
 - (b) 13 respondents had conducted a procurement process in Duties; and
 - (c) 12 respondents had conducted a procurement process in RMS.
- Overall, we consider that the customer evidence should be assessed in the round, alongside other sources of evidence.

ICCS customer views on the impact of the Merger

Parties' views

- The Parties have submitted that the evidence presented by the CMA in Table 1.1 which they consider demonstrates that the customers of ICCS solutions, in the vast majority of cases, do not have a negative view of the transaction. Furthermore, it is unclear to the Parties why the CMA prefers its interpretation of various qualitative statements that it has received over the quantitative data it has collected and in the Parties' view the latter should be considered a more robust source of evidence of customers' views.⁸
- The Parties also stated that the customer views cited likely arise from uncertainty around future developments, rather than any concrete competition concerns about the Merger.⁹

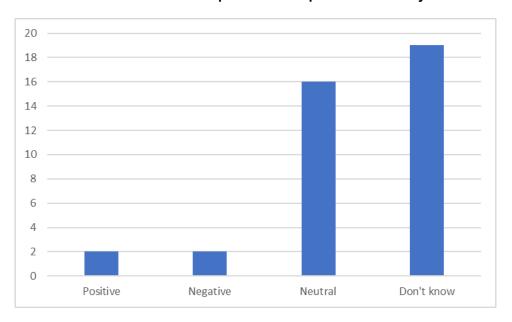
⁸ Parties, response to the Customer Evidence WP, 4 August 2022, paragraph 40.

⁹ Parties, response to the Customer Evidence WP, 4 August 2022, paragraph 40.

Our assessment

We asked ICCS customers what impact, if any, the acquisition of SSS by NECSWS would have on them as an ICCS customer and to provide a supporting explanation.

Table 1.1: ICCS customer views of the impact of the acquisition of SSS by NECSWS



Question: What impact, if any, would the acquisition of SSS by NECSWS have on you as an ICCS customer? (Options: Positive, Negative, Neutral and Don't know)

Source: 39 customer responses to our phase 2 questionnaire.

- While the vast majority of customers did not directly tick negative for this question, we note that 35/39 customers ticked that they either did not know what impact the acquisition will have or thought it would have a neutral impact. There was also not always consistency between the explanations and the box ticked. We have found that the written explanations are more informative and have therefore categorised the responses ourselves as below: 10
 - (a) two customers provided a positive explanation relating to a single supplier for ICCS and CAD and increased knowledge to improve products:¹¹
 - (b) three customers provided a negative explanation relating to reduced competition/innovation/choice and potentially higher costs;¹²

¹⁰ For example, [≫] responded "don't know" but the written explanation provided was "concerned that there will be reduced competition in the market, which will impact innovation and potentially costs" which the CMA considers is more appropriately categorised as expressing a concern.

¹¹ Response to the CMA questionnaire from [≫], 20 May 2022, question 18; Response to the CMA questionnaire from [≫], 20 May 2022, question 18.

¹² Response to the CMA questionnaire from [≫], 25 May 2022; Response to the CMA questionnaire from [≫], 25 May 2022, question 10; Response to the CMA questionnaire from [≫], 20 May 2022, question 18.

- a further two customers noted multiple scenarios: one scenario which may result in reduced competition/innovation and potentially higher costs, but also recognised a second scenario which may see an improvement in products; 13
- one customer noted that it had been assured that its current contract (d) will remain unchanged but recognised that NECSWS could, potentially, decide to merge its ICCS offering into one of the two products;14
- 14 customers have been classified as 'don't know'. Of these: (e)
 - nine provided no further explanation; 15 and (i)
 - (ii) five referred to uncertainty over future product development/strategy.¹⁶
- (f) 17 customers have been classified as 'neutral', of these:
 - six referred to their supplier not being the Parties; 17 (i)
 - (ii) seven provided no further explanation; 18 and
 - (iii) four referred to the fact that their current contract will remain unchanged. 19
 - (iv) The majority (25/39) of customers responses have been classified as 'don't know' or 'neutral' with either no explanation having been given or a reason that is unrelated to competition concerns. We consider that these customers are unsure about the impact of the Merger rather than unconcerned. Only two customers provided reasoning that supported a positive impact while three customers provided reasoning that supported a negative impact. A further

¹³ Response to the CMA questionnaire from [≫], 25 May 2022, question 18; Response to the CMA questionnaire from [\gg], [\gg], 25 May 2021, question 10.

¹⁴ Response to the CMA questionnaire from [≫], 20 May 2022, question 18.

<sup>15 [%], [%], [%], [%], [%], [%], [%], [%].

16</sup> Response to the CMA questionnaire from [%], 20 May 2022; Response to the CMA questionnaire from [%], 20 May 2022, question 18; Response to the CMA questionnaire from [%], 26 May 2022, question 12; Response to the CMA questionnaire from [X], [X] and [X], 20 May 2022, question 18; Response to the CMA questionnaire from [%], 26 May 2022, question 12.

¹⁷ Response to the CMA questionnaire from [≫], 20 May 2022, question 18; Response to the CMA questionnaire from [%], 20 May 2022, question 18; Response to the CMA questionnaire from [%], 20 May 2022, question 18; Response to the CMA questionnaire from [%], 20 May 2022, question 18; Response to the CMA questionnaire from [%], 20 May 2022, question 18; Response to the CMA questionnaire from [%], 20 May 2022, question 18. ¹⁸ Response to the CMA questionnaire from [≫], 25 May 2022, question 18; Response to the CMA questionnaire from [≫], 25 May 2022, question 18; Response to the CMA questionnaire from [≫], 25 May 2022, question 18; Response to the CMA questionnaire from [%], 26 May 2022, question 18; Response to the CMA questionnaire from [%], 26 May 2022, question 18; Response to the CMA questionnaire from [%], 20 May 2022, question 18; Response to the CMA questionnaire from [≫], 20 May 2022, question 18.

¹⁹ Response to the CMA questionnaire from [※], 26 May 2022, question 18; Response to the CMA questionnaire from [%], 20 May 2022, question 18; Response to the CMA questionnaire from [%], 20 May 2022, question 18; Response to the CMA questionnaire from [%], 26 May 2022, question 18.

three customers recognised two potential outcomes with five customers referring to uncertainty over future product development/strategy. We consider that it could be inferred that the five customers who expressed uncertainty about the future product strategy may be concerned about a reduction in product choice.

Provisional conclusion

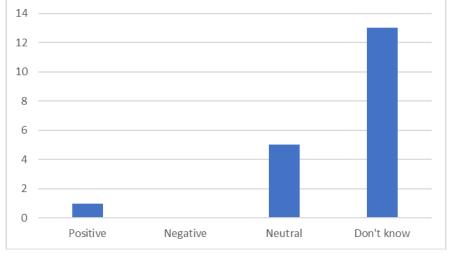
Our provisional view is that the customer evidence on the impact of the Merger is mixed. However, some (11/39) customers expressed some form of concern (either explicitly, implicitly or as a potential concern) about the effects of the Merger, although most (25/39) replied with 'neutral' or 'don't know'. Given the small response rate of customers that provided an explanation related to competition concerns, we have placed limited weight on this evidence.

Duties customer views on the impact of the Merger

Our assessment

We asked Duties customers, what impact, if any, the acquisition of SSS by NECSWS would have on them as an ICCS customer and to provide a supporting explanation.





Question: What impact, if any, would the acquisition of SSS by NECSWS have on you as a Duties customer? (Options:

Positive, Negative, Neutral and Don't know)

Source: 19 customer responses to our phase 2 questionnaire

- 21 The majority of customers who responded to this question (18/19) said that they either did not know what impact the acquisition would have or thought it would have a neutral impact. Only one customer said it would have a positive impact and no customer said it would have a negative impact.
- 22 There was not always a consistency between the box ticked and explanation given, however. We have found that the written explanations are more informative and have therefore categorised the responses ourselves as below:
 - Two customers provided a positive explanation. One said that it could improve their relationship with the new company²⁰ while the other said it may provide new opportunities and a new product.²¹
 - (b) One customer provided a negative view as while there were not sure what decisions would be taken around the future of duties systems, if they chose not to retain one of the systems in the future they could have their hands forced to switch systems.²²
 - Sixteen customers provided what has been classified as a neutral response and of these:
 - One customer said that whilst they cannot know if there will be an (i) impact, the expectation is that there will be none;²³
 - One customer said they are aware of other solutions so there are (ii) four providers of duties systems within policing;²⁴
 - One customer said there were no indicators to suggest their contractor would not continue to deliver against their contractual obligations;²⁵
 - (iv) One customer said they did not have a SSS product;²⁶
 - (v) One customer said they did not have use the Parties products and presumed there were a significant number of other suppliers who could meet their requirements;27 and
 - (vi) One customer did not provider a further explanation.²⁸

²⁰ Response to the CMA questionnaire from [≫], 10 June 2022, question 34.

²¹ Response to the CMA questionnaire from [%], 26 May 2022, question 34.

 $^{^{22}}$ Response to the CMA questionnaire from $[\ensuremath{\gg}],$ 7 June 2022, question 34.

 $^{^{23}}$ Response to the CMA questionnaire from $[\![\mathbb{K}]\!],$ 31 May 2022, question 34.

 $^{^{24}}$ Response to the CMA questionnaire from [\gg], 23 June 2022, question 34.

 $^{^{25}}$ Response to the CMA questionnaire from [\gg], 15 June 2022, question 34. 26 Response to the CMA questionnaire from [\gg], 7 June 2022, question 34.

²⁷ Response to the CMA questionnaire from [%], 9 June 2022, question 34.

²⁸ Response to the CMA questionnaire from [%], 10 June 2022, question 34.

- (vii) Ten customers have been classified as 'don't know', of these:
- (viii) Eight did not provide a further explanation;²⁹
- (ix) One customer said they did not know how the acquisition would impact them as a customer;30 and
- One customer said their current product was not supported by either Party.31

Provisional conclusion

23 Our provisional view is that most customers do not have information on how the Merger will impact them. Most customers who responded were unsure of what impact the Merger would have on them and some customers who provided a neutral or negative view also professed to being unsure of what would happen if the Merger were to happen. As such, we have placed limited weight on this evidence.

 $^{^{29}}$ [\gg], [\gg]; [\gg]. 30 Response to the CMA questionnaire from [\gg], 9 June 2022, question 34. 31 Response to the CMA questionnaire from [\gg], 7 June 2022, question 34.

Glossary

Term	Definition
AIS	Annotated Issues Statement.
APD	APD Communications Limited.
API	Application programming interface.
ARP	Ambulance Radio Programme.
AWS	Amazon Web Services.
Azure	Microsoft Azure.
BPS	Business Process Services.
ВТА	Business Transfer Agreement.
CAD	Computer Aided Dispatch.
Capita	Capita plc.
CallTouch	NECSWS ICCS product. Enables efficient management of incoming telephone contacts during major incidents in a public transport environment.
CARM	NECSWS's Duties product.
CMA	The Competition and Markets Authority.
CMA129	Mergers Assessment Guidelines (CMA129).
CMA17	CMA rules of procedure for merger, market and special reference groups.
CMA2 revised	Mergers: Guidance on the CMA's jurisdiction and procedure (2020 – revised guidance).
CMA87	Merger remedies guidance.
CCaaS	Contact Centre as a Service.
CONNECT	NECSWS's RMS product.

ControlWorks	A fully integrated CAD application used by police forces in the UK, which enables all emergency and non-emergency contact to be made via a range of channels.
Cortex	NECSWS ICCS product. Enables rapid communication by bringing together radio, telephony, CCTV, access control, tannoys, alarms and other media.
сотѕ	Commercial off-the-shelf components.
CPS	Crown Prosecution Service.
CRM	Customer Records Management.
Crown	Crown Workforce Management.
DEM	Digital Evidence Management.
DIR	Digital Interview Recording.
DRMS	Health & Document, Regulatory and Managed Services.
DS3000	SSS CAD deployed with a SSS Integrated ICCS.
DSx	SSS ICCS product. Designed to provide single touchscreen control to a number of integrated subsystems. It ensures that users can manage radio and telephony voice communications whilst being able to access other subsystems which may include digital trunk and analogue Professional Mobile Radio systems, call handling systems, digital and analogue telephony, CCTV, voice recorders, intercom systems, door locks and alarms.
Duties	Duties Management Systems software which enables the planning, scheduling, and shift management of emergency service staff.
ERP	Enterprise Resource Planning.
ESN	Emergency Services Network. A new mobile communications network based upon PS-LTE technology which will be used by the UK's emergency services (via their ICCS systems) by the end of 2026.

EvidenceWorks DEM	SSS's Digital Evidence Management product.
EvidenceWorks IRS	SSS's Digital Interview Recording product.
FMN	Final Merger Notice, submitted by the Parties to the CMA on 1 March 2022.
FRS	Fire and rescue service.
GMP	Greater Manchester Police.
IaaS	Infrastructure as a service.
ICCS	Integrated Communication and Control Services software which enables control room personnel to receive urgent phone calls from people in emergency situations (eg 999 calls) and to communicate with staff.
IEO	Initial Enforcement Order.
Inquiry Group	A group of CMA panel members appointed to further investigate and report on the phase 2 merger inquiry of the completed acquisition by NEC Software Solutions UK Limited of the entire issued share capital of SSS Public Safety Limited and Secure Solutions USA LLC from Capita Secure Information Solutions Limited and Capita (USA) Holdings Inc.
IRS	Interview Recording System.
Libra	Case Management System used by the courts.
MDP	Ministry of Defence Police.
МТ	Monitoring Trustee - an independent trustee who monitors the preservation of SSS during the divestiture process.
MPS	The Metropolitan Police Service.
NECJ	NEC Corporation - NECSWS's parent company.
NECSWS	NEC Software Solutions UK Limited.
NPDS	National Policing Digital Strategy.

Origin	SSS's Duties product.
PaaS	Platform as a service.
PAB	Project Approval Board (NECSWS).
PACE	Police and Criminal Evidence Act 1984.
PDS	Police Digital Service.
Phase 1 Decision	The CMA's phase 1 decision, dated 29 April 2022 and found here .
POLE	People, objects, locations, and events.
Policeworks	An RMS product offered by SSS and deployed by
	Greater Manchester Police.
LTE	Long Term Evolution.
PSNI	Police Service Northern Ireland.
PwC	Engaged by Capita in July 2020 to undertake the sales process of SSS.
RCBs	Relevant customer benefits.
Relevant Markets	The supply of ICCS to emergency services and transport customers in the UK; the supply of Duties to police customers in the UK, and the supply of RMS to police customers in the UK.
ResponsEye	SSS's live video streaming product.
RFI	Request for information.
RMS	Relevant Merger Situation.
RMS	Records Management Systems software which enables the recording and managing of case-related information for the processing of people in custody and case file management for prosecutions.
Saab	Saab AB
SaaS	Software as a service.

Selling Capita	Capita Secure Information Solutions Limited and Capita
Entities	(USA) Holdings Inc.
SLC	Substantial Lessening of Competition.
SPA	Sale and Purchase Agreement.
SPF1	Solution Providers Framework – tender for the Duties
	management aspect issued around April 2021.
SPF2	Solution Providers Framework – framework that
	replaced SPF1 when it expired in March 2022.
SSS	SSS Public Safety Limited and Secure Solutions USA
	LLC.
TfL	Transport for London.
The Act	Enterprise Act 2002.
The Merged Entity	NECSWS and SSS together.
The Merger	The completed acquisition by NEC Software Solutions
	UK Limited of the entire issued share capital of SSS
	Public Safety Limited and Secure Solutions USA LLC
	from Capita Secure Information Solutions Limited and
	Capita (USA) Holdings Inc.
The Parties	NECSWS and SSS are together referred to as the
	Parties.
The Regulations	Public Contracts Regulations 2015.
Totalmobile	Totalmobile Limited.
TSA	Transactional Services Agreement.
UI	User Interface.
UK	United Kingdom.
UNIFI	An RMS product offered by SSS.
USA	United States of America.
Vision	SSS's CAD system, used by fire and rescue services in
	the UK that provides public safety agencies with the

	ability to record calls and incidents, recommending the correct level of response depending on the nature of the incident, and facilitating onward communication with stations, vehicles and staff. It also provides a log of all incident activity, which can be used in the management of incidents, as well as for statistical information and reporting.
WP	Working Paper.