

Completed acquisition by NEC Software Solutions UK Limited of SSS Public Safety Limited and Secure Solutions USA LLC

Notice of Acceptance of final undertakings pursuant to sections 41, 82, 90 and Schedule 10 to the Enterprise Act 2002

Background

1. On 12 May 2022, 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 NEC Software Solutions UK Limited (**NECSWS**) of SSS Public Safety Limited and Secure Solutions USA LLC (**SSS**) (the **Merger**) to a group of CMA panel members to determine, pursuant to 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 (**SLC**) in any market or markets in the United Kingdom (**UK**) for goods or services.
2. On 2 December 2022, the CMA published its final report pursuant to section 38 of the Act (the **Report**) which concluded that:
 - (a) the Merger has created a relevant merger situation;
 - (b) the creation of that situation has resulted in, or may be expected to result in (i) an SLC in the supply of Integrated Communication and Control Services software (**ICCS**) to emergency service and transport consumers in the UK and (ii) an SLC in the supply of Duties Management Systems software (**Duties**) to police forces in the UK;
 - (c) the CMA should take action to remedy the SLCs found and any adverse effects resulting from them;
 - (d) having regard to the need to achieve as comprehensive a solution as is reasonable and practicable, the following businesses should be divested:
 - i. the NECSWS ICCS business, and

- ii. the NECSWS Duties business or the SSS Duties business,

(together the **Divestment Businesses**);
 - (e) undertakings should be given to the CMA or, where undertakings are not agreed, an order should be made to give effect to the remedies identified by the CMA in chapter 11 of the Report, namely the divestiture of the Divestment Businesses.
3. The CMA has reached agreement with NECSWS and SSS as to the terms of the final undertakings for the purpose of remedying, mitigating or preventing the SLCs it has identified and any resulting adverse effects (the **Final Undertakings**).
 4. On 18 January 2023, the CMA gave notice of a proposal to accept Final Undertakings on its website. One representation was received. No modifications to the Final Undertakings were made.
 5. On 10 February 2023, NECSWS, NPS (Holdings) Limited and SSS Public Safety Limited gave the CMA Final Undertakings, giving effect to the CMA's decision as published in its Final Report and which are in the same terms as those consulted on.
 6. The CMA, under section 82 of the Act, now accepts those Final Undertakings as given by NECSWS, NPS (Holdings) Limited and SSS Public Safety Limited. A copy of the Final Undertakings is attached. The Final Undertakings now come into force and the reference is finally determined.
 7. The Final Undertakings may be varied, superseded or released by the CMA under section 82(2) of the Act.
 8. This notice and a non-confidential version of the Final Undertakings will be published on the CMA website. The CMA has excluded from the non-confidential version of the Final Undertakings information which it considers should be excluded, having regard to the considerations set out in section 244 of the Act. These omissions are indicated by [✂].

Signed by authority of the CMA

Kip Meek
Inquiry Chair
10 February 2023