

Completed acquisition by Aramark Limited of Entier Limited

Decision on relevant merger situation and substantial lessening of competition

ME/2241/25

The Competition and Markets Authority's decision on relevant merger situation and substantial lessening of competition under section 22(1) of the Enterprise Act 2002 given on 22 July 2025.

The Competition and Markets Authority (**CMA**) has excluded from this published version of the decision information which the CMA considers should be excluded having regard to the three considerations set out in section 244 of the Enterprise Act 2002 (specified information: considerations relevant to disclosure). The omissions are indicated by [§<]. Some numbers have been replaced by a range, which are shown in square brackets.

Contents

SUMMARY	3
ASSESSMENT	5
1. PARTIES, MERGER AND MERGER RATIONALE.....	5
2. PROCEDURE	6
3. JURISDICTION.....	6
4. COUNTERFACTUAL	7
5. COMPETITIVE ASSESSMENT	8
5.1 Background and nature of competition.....	8
5.2 Market definition.....	9
5.3 Theory of harm.....	21
6. COUNTERVAILING FACTORS.....	49
6.1 Entry and expansion	49
6.2 Buyer Power.....	51
6.3 Conclusion on countervailing factors.....	52
7. CONCLUSION ON SUBSTANTIAL LESSENING OF COMPETITION	52

DECISION53

SUMMARY

OVERVIEW OF THE CMA'S DECISION

1. The Competition and Markets Authority (**CMA**) has found that the acquisition by Aramark Limited (**Aramark**) of Entier Limited (**Entier**), gives rise to a realistic prospect of a substantial lessening of competition (**SLC**) in the supply of outsourced offshore catering and ancillary facilities management services as a result of horizontal unilateral effects.
2. On 24 January 2025, Aramark acquired 90% of the issued share capital in Entier. The CMA refers to this acquisition as the **Merger**. Aramark and Entier are together referred to as the **Parties** and, for statements relating to the future, the **Merged Entity**.
3. As the CMA has found that the Merger gives rise to a realistic prospect of an SLC, the Parties have until 29 July 2025 to offer undertakings in lieu of a reference (**UILs**) to the CMA that will remedy the competition concerns identified. If no such undertakings are offered, then the CMA will refer the Merger pursuant to sections 22(1) and 34ZA(2) of the Enterprise Act 2002 (the **Act**).

Who are the businesses and what products/services do they provide?

4. Aramark and Entier both provide catering services to customers in the UK. The CMA's investigation has focused on the provision of catering services and ancillary facilities management services¹ to offshore customers (referred to collectively as **offshore catering** in this Decision) in the United Kingdom Continental Shelf (**UKCS**), as this is the main overlap between the Parties' activities.

Why did the CMA review this merger?

5. The CMA's primary duty is to seek to promote competition for the benefit of consumers. It has a duty to investigate mergers that could raise competition concerns in the UK, provided it has jurisdiction to do so. In this case, the CMA has concluded that it has jurisdiction to review this Merger because a relevant merger situation has been created: each of Aramark and Entier is an enterprise and, as a result of the Merger, these enterprises have ceased to be distinct, and the share of supply test is met.

¹ Ancillary facilities management services include, for example, housekeeping and accommodation services (eg cleaning of cabins); laundry services; bond store management (snacks, tobacco, etc), waste management; and additional services such as recreation and emergency support).

What evidence has the CMA looked at?

6. In assessing this Merger, the CMA considered a wide range of evidence in the round.
7. The CMA received several submissions and responses to information requests from the Parties. The CMA also examined bidding data and the Parties' internal documents. The CMA gathered information about the extent to which the Parties currently compete against each other and the competitive strength of other offshore catering suppliers.
8. The CMA spoke to, and gathered evidence from, the Parties' customers and competitors to understand the competitive landscape and to get their views on the impact of the Merger. In particular, the CMA also obtained competitors' bidding data, and information from customers about their most recent (or future) tender processes.

What did the evidence tell the CMA about the effects on competition of the Merger?

9. The CMA believes that the Merger raises significant competition concerns as a result of horizontal unilateral effects in the supply of offshore catering in the UKCS. The Parties have a combined share of supply of around 60% in the UKCS. There is only one other large supplier: a company called ESS. The Merged Entity and ESS would together account for over 90% of the market. In addition, the bidding data, internal documents and third-party views suggest the Parties compete closely with each other.
10. The evidence suggests that the Merged Entity would not face sufficient constraints from the other suppliers in the UKCS, which apart from ESS are very small, and suppliers based in other parts of the North Sea. The CMA also believes that self-supply is not an option for at least the vast majority of the Parties' customers.

What happens next?

11. As a result of these concerns, the CMA believes the merger gives rise to a realistic prospect of an SLC in the supply of outsourced offshore catering in the UKCS. Aramark has until 29 July 2025 to offer an undertaking which might be accepted by the CMA to address the SLC. If no such undertaking is offered, or the CMA decides that any undertaking offered is insufficient to remedy its concerns to the phase 1 standard, then the CMA will refer the Merger for an in-depth phase 2 investigation pursuant to sections 22(1) and 34ZA(2) of the Act.

ASSESSMENT

1. PARTIES, MERGER AND MERGER RATIONALE

12. Aramark is active in the supply of food and ancillary facilities management services. Aramark offers these services in various sectors including Workplace, Education, Healthcare, Government, Judicial, Sports and Entertainments and Offshore and Remote Sites. The turnover of the Aramark group in its financial year ending 27 September 2024 was approximately \$17.4 billion worldwide and approximately £596.6 million in the UK.²
13. Entier is an Aberdeenshire-based supplier of catering services. Entier operates across three main segments: (i) Remote Sites Global, which provides offshore catering services (ii) Fresh, which provides onshore catering services; and (iii) Wilde Thyme, an events catering and management business operating in Scotland. The turnover of Entier in the financial year ending 30 September 2024 was approximately £83 million worldwide and approximately £70.4 million in the UK (around [X]% of Entier's revenue is generated in the UKCS, and [X]% in the North Sea).
14. On 24 January 2025 Aramark acquired 90% of the issued share capital in Entier for a purchase price of circa. £[X].
15. The Parties submitted that a strategic rationale for the Merger is to enable Aramark to expand into geographies outside of the North Sea and the Gulf of Mexico where Entier has an established presence (eg [X]). The Parties also submitted that by acquiring Entier – a much smaller player on a global scale – the Merger enables Aramark to expand rapidly into the marine segment.³
16. The CMA considers that the Parties' internal documents partly support this rationale. Some Aramark's internal documents which discuss the potential Merger refer to Entier's "diversified" portfolio of marine customers and rest of world experience. However, the same documents (discussed further below) describe the Merger as "both a defensive and offensive play to reinforce [Aramark's] position in the UK Continental Shelf" and as expanding "leadership positions in [the] UKCS [X]".^{4,5} A document presented to Aramark's Board for approval of the Merger

² Response to the CMA's Enquiry Letter, 27 March 2025 (**Enquiry Letter Response**), question 9.

³ Parties' Initial Submission, 19 May 2025 (**Initial Submission**), paragraph 1.3; Parties' response to the Issues Letter, 30 June 2025 (**Issues Letter Response**), paragraph 4.1.

⁴ Aramark Internal Document, Annex 117 to the Enquiry Letter Response, "[X]", 30 July 2024, pages 22 and 26.

⁵ Various Aramark documents produced between May 2021 and September 2024 refer to the Merger removing "a significant competitor", "protecting market share and margin" and creating a "leading position in the [UK continental shelf]" (Aramark Internal Documents, Annexes 107, 115, 119 and 120 to the Enquiry Letter Response). Whilst these documents were not included in the materials presented to Aramark's Board when it was asked to approve the transaction, the CMA notes that they were produced by senior members of management staff at Aramark and shared with several members of Aramark's Board (Parties' response to the CMA's section 109 notice, 27 June 2025, (**Section 109(8)**), pages 1–4.

states that Entier has an additional legal entity in Australia and New Zealand which constitutes “[3<] % of revenue)”.⁶

2. PROCEDURE

17. The CMA’s mergers intelligence function identified the Merger as warranting an investigation.⁷
18. The CMA commenced its phase 1 investigation on 27 May 2025. As part of its phase 1 investigation, the CMA gathered a significant volume of evidence from the Parties. In response to targeted information requests, the CMA received and reviewed internal documents from Aramark and Entier to understand the nature of competition for contracts for offshore catering services. The Parties also had opportunities to make submissions and comment on our emerging thinking throughout the phase 1 investigation. For example, on 26 June 2025, the CMA invited the Parties to attend an Issues Meeting, and the Parties submitted their views in writing. The CMA also gathered evidence from other market participants, such as customers and competitors via calls and written questionnaires. The evidence the CMA has gathered has been tested rigorously, and the context in which the evidence was produced has been considered when deciding how much weight to give it.
19. This evidence has been referred to within this Decision as relevant.
20. The Merger was considered at a Case Review Meeting.⁸

3. JURISDICTION

21. Each of Aramark and Entier is an enterprise. As a result of the Merger, these enterprises have ceased to be distinct.
22. The Parties overlap in the supply of offshore catering and ancillary facilities management services in the UKCS, with a combined share of supply of [50-60]% (with an increment of [20-30]%) by value in 2024 (see Table 1 below).⁹ The requirement that at least one of the Parties has a UK turnover exceeding £10 million is met (as both Parties’ UK turnover exceeds this threshold). The CMA therefore believes that the share of supply test in section 23 of the Act is met.
23. The Merger completed on 24 January 2025, and the CMA was first informed about it on 10 February 2025. The four-month deadline for a decision under section 24 of

⁶ Aramark Internal Document, Annex 117 to the Enquiry Letter Response, “[3<]”, 30 July 2024, page 26.

⁷ [Mergers: Guidance on the CMA’s jurisdiction and procedure \(CMA2\)](#), 25 April 2024, paragraphs 6.4–6.6.

⁸ [CMA2](#), page 47.

⁹ The Parties each operate out of offices in Aberdeen and supply a significant number of customers subject to a UK residency requirement under a licensing regime operated by the North Sea Transition Authority.

the Act is 23 July 2025, following extensions under sections 25(1) and 25(2) of the Act.

24. The CMA therefore believes that it is or may be the case that a relevant merger situation has been created.
25. The initial period for consideration of the Merger under section 34ZA(3) of the Act started on 27 May 2025 and the statutory 40 working day deadline for a decision is therefore 22 July 2025.

4. COUNTERFACTUAL

26. The CMA assesses a merger's impact relative to the situation that would prevail absent the merger (ie the counterfactual).¹⁰
27. In completed mergers, the counterfactual may consist of the pre-merger conditions of competition, or conditions of competition that involve stronger or weaker competition between the parties to a merger than under the pre-merger conditions of competition.¹¹ In determining the appropriate counterfactual, the CMA will generally focus on potential changes to the prevailing conditions of competition only where there are reasons to believe that those changes would make a material difference to its competitive assessment.¹²
28. The Parties submitted that the pre-Merger conditions of competition is the relevant counterfactual.¹³
29. The Parties also submitted that the CMA should review the merger in the context of the decline of oil and gas (**O&G**) activity in the North Sea¹⁴ and referred to an estimate that over half of O&G wells in the UKCS will be decommissioned between 2024 and 2033.¹⁵
30. The counterfactual is intended to focus on significant changes affecting competition between the merger firms, such as significant expansion by, or the exit of, one of the merger firms. The counterfactual is not intended to be a detailed description of the conditions of competition that would prevail absent the merger: those conditions are considered in the competitive assessment.¹⁶
31. Accordingly, the CMA considers the pre-Merger conditions of competition to be the relevant counterfactual and, to the extent relevant, has taken the impact of the

¹⁰ [Merger Assessment Guidelines](#) (CMA129), March 2021, paragraph 3.1.

¹¹ CMA129, paragraph 3.2.

¹² CMA129, paragraph 3.9.

¹³ Enquiry Letter Response, paragraph 18.

¹⁴ Enquiry Letter Response, paragraph 9(b)(i).

¹⁵ Initial Submission, paragraph 4.19, citing [Over half of oil and gas fields in UK North Sea to cease production by 2030 | Upstream](#).

¹⁶ CMA129, paragraphs 3.6–3.9.

anticipated decline of O&G activity into account in the competitive assessment. In line with its usual approach,¹⁷ the competitive assessment has been a forward-looking one, reflecting the market dynamics that would have occurred absent the Merger.¹⁸

5. COMPETITIVE ASSESSMENT

5.1 Background and nature of competition

32. The Parties overlap in the supply of catering and ancillary facilities management services to offshore customers in the UKCS.
33. Offshore customers of these services can be categorised as:
- (a) O&G production customers, these are typically large rigs and platforms which operate in fixed locations;
 - (b) mobile offshore drilling unit (**MODU**) customers, which operate in the O&G sector, and have smaller platforms which can move from location to location;
 - (c) accommodation barge customers, which are project-driven and mobile, and generally used in the O&G sector; and
 - (d) marine customers, which are mobile, and may also operate in the renewables sector.¹⁹
34. The CMA understands that O&G production, MODU, and accommodation barge customers generally outsource their offshore catering requirements, however a greater proportion of marine vessels may rely on self-supply.²⁰ In particular, the CMA understands that there are some marine vessels for which it is unlikely to be economically viable to supply catering services and which are therefore outside of the contestable market. In particular:
- (a) The Parties explained that there need to be sufficient persons on board (**POB**) to make outsourcing worthwhile and estimated that 50 POB was an approximate benchmark for this.²¹
 - (b) Competitors' estimates of the minimum POB below which they would be unlikely to bid for an opportunity ranged between 30 and 60 POB.²²

¹⁷ CMA129, paragraph 3.11.

¹⁸ As explained in CMA129 (paragraph 3.3), the CMA's conclusion on the counterfactual does not seek to ossify the market at a particular point in time.

¹⁹ Initial Submission, paragraph 3.3.

²⁰ Initial Submission, paragraph 3.3; Note of a call with a third party, April 2025.

²¹ CMA 'teach-in' delivered by the Parties, 8 May 2025.

²² Responses to the CMA's questionnaire from a number of third parties, May 2025.

(c) In the share of supply data submitted by the Parties that includes self-supply, the average POB of marine vessels that self-supply catering services is 40. This is in contrast to the Parties' marine customer contracts which on average have a POB of [over 100].²³

35. The CMA also understands that the marine sector comprises a range of different vessels and that the complexity of serving some of these vessels may be increased where they move between different geographic regions, mostly due to supply chain, taxation, and labour challenges. Suppliers may not be able to follow customers to each new jurisdiction and contracts may therefore be for shorter terms or terminated early.²⁴ Other vessels, for instance, in the renewables or decommissioning sector, are less mobile and can be serviced much more easily and similarly to O&G, MODU or accommodation barge customers.
36. Opportunities are won through competitive tenders, via extensions to existing contracts or bilateral negotiations.²⁵ Competition is focused on, but not limited to, a number of factors including price, food quality, service quality, technical capability, health and safety record, and track record.²⁶
37. A number of offshore catering suppliers are members of the Caterers Offshore Trade Association (**COTA**). COTA members come together to agree the minimum terms and conditions of employment with the RMT and Unite unions, and to ensure compliance with health and safety requirements.²⁷

5.2 Market definition

38. Where the CMA makes an SLC finding, this must be 'within any market or markets in the United Kingdom for goods or services'. An SLC can affect the whole or part of a market or markets. Within that context, the assessment of the relevant market(s) is an analytical tool that forms part of the analysis of the competitive effects of the merger and should not be viewed as a separate exercise.²⁸
39. Market definition involves identifying the most significant competitive alternatives available to customers of the merger parties and includes the sources of competition to the merger parties that are the immediate determinants of the effects of the merger.
40. The boundaries of the relevant product market are generally determined by reference to demand-side substitution alone. However, in some circumstances the

²³ CMA analysis of Annex A to the Parties' response to the CMA's section 109 notice, 30 May 2025 (**Section 109(7)**).

²⁴ CMA 'teach-in' delivered by the Parties, 8 May 2025.

²⁵ Enquiry Letter Response, paragraph 25.

²⁶ Notes of calls with third parties, April–May 2025.

²⁷ [COTA](#).

²⁸ [CMA129](#), paragraph 9.1.

CMA will consider supply-side factors (ie the capabilities and reaction of suppliers in the short-term).

41. While market definition can be an important part of the overall merger assessment process, the CMA's experience is that in most mergers, the evidence gathered as part of the competitive assessment, which will assess the constraints on the merger parties' behaviour, captures the competitive dynamics more fully than formal market definition.²⁹

5.2.1 Product market

5.2.1.1 Parties' submissions

42. The Parties submitted that the Merger should be assessed in the context of the provision of catering and ancillary facilities management services to offshore customers.³⁰ Customers almost invariably require catering suppliers to provide additional ancillary services,³¹ including:
- (a) housekeeping and accommodation services (eg cleaning of cabins);
 - (b) laundry services;
 - (c) bond store management (snacks, tobacco, etc);
 - (d) waste management; and
 - (e) additional services (such as recreation and emergency support).
43. In their Initial Submission to the CMA, the Parties submitted that there is no meaningful distinction between offshore customers within the different segments (ie O&G production, MODU and marine customers). The Parties explained that the logistical complexity in serving assets increases with their mobility, but this is a question of degree (and choice of business focus/strategy) and all market participants have the capability to serve these customer bases. In the Parties' view, there is no meaningful distinction between offshore customers within the segments identified as the fundamentals of the provision of offshore catering services to the individual workers remain unchanged.³²
44. In a subsequent submission, whilst the Parties acknowledged that there is a high degree of supply-side substitutability across all types of offshore customers, the Parties submitted that the market dynamics within the marine segment differ from

²⁹ [CMA129](#), paragraph 9.2.

³⁰ Initial Submission, paragraph 3.1.

³¹ Initial Submission, paragraph 3.2.

³² Initial Submission, paragraph 3.5.

those in other segments and the CMA should take those differences into account in the competitive assessment.³³

45. In particular, the Parties submitted that the specific features that distinguish marine³⁴ from the other customer types are that:
- (a) Marine contracts are more logistically complex than other contracts and require a more flexible approach to personnel and provisions sourcing, as well as an understanding of labour, safety laws, tax and other jurisdictional legal requirements across the geographies where the vessels move.³⁵
 - (b) The competitive landscape for marine contracts differs considerably with much of the current focus of competition being attracting customers away from self-supply and towards outsourcing.³⁶
 - (c) Marine contracts are often wider than the UKCS in scope, even in cases where the tender is based in the UKCS. For example, Entier's contract with [X] is a contract to service their marine fleet globally.³⁷ Similarly, Entier's contract with [X] is for their North Sea fleet, which is not confined to the North Sea.³⁸
46. The Parties submitted that self-supply is a significant competitive constraint on third-party providers, particularly in the marine sector.³⁹ According to the Parties' current estimates, the proportion of self-supply in the UKCS including marine vessels is 33%,⁴⁰ and 2% for non-marine customers.⁴¹ The Parties also submitted that they expect the marine sector to grow, considering that a significant portion of customers currently self-supply and may switch to outsourced supply solutions over time. The Parties noted that one customer ([X]) intimated to Entier that it will outsource the catering services for an additional four vessels in the near future.⁴²
47. The Parties also provided two examples of Entier customers moving to self-supply:
- (a) In February 2024, [X] acquired [X] (an Entier customer) and sold three vessels to [X]. [X] reverted the acquired vessels to self-supply; and

³³ Issues Letter Response, paragraph 5.2.

³⁴ The Parties submitted that these distinguishing features are particularly relevant when considering the market dynamics and closeness of competition between the Parties. The CMA notes that it was not always clear whether the Parties were making market definition or closeness arguments.

³⁵ Issues Letter Response, paragraph 5.1(a).

³⁶ Issues Letter Response, paragraph 5.1(b).

³⁷ Issues Letter Response, section 6. The Parties' submissions in relation to geographic market are considered in Section 5.2.2 below.

³⁸ Issues Letter Response, paragraph 5.1(c).

³⁹ Initial Submission, paragraph 4.1.

⁴⁰ Response to Section 109(7), paragraph 5.4.

⁴¹ See, for example, Initial Submission, paragraph 4.12.

⁴² Issues Letter Response, paragraph 2.8.

- (b) In January 2017, [X] sold two marine vessels to [X]. Whilst Entier was the provider of catering services to these assets at the time of sale, [X] elected to revert to self-supply.

5.2.1.2 CMA's assessment

48. The CMA's starting point for assessing the appropriate product market is the supply of outsourced catering and ancillary facilities management services to offshore customers (jointly referred to as **offshore catering**). Hence, the product market includes catering and ancillary facilities management services (which the Parties and their competitors told the CMA all the Parties' customers require).^{43,44} The CMA has considered whether this market should be segmented by customer type, and also whether the market should include self-supply of these services.

5.2.1.2.1 Segmentation by customer type

49. There are four customer segments in which the Parties are both active: marine, O&G production, MODU, and accommodation barges. As noted above, in certain submissions, the Parties argued that the dynamics for supplying marine customers are distinct. The CMA has, therefore, considered whether marine and non-marine customers (defined as O&G production, MODU, accommodation barges) are part of the same relevant product market.
50. The CMA has received mixed evidence as to whether marine customers have different requirements to non-marine customers:
- (a) The CMA understands that contracts for some marine customers may involve additional logistical complexity compared to non-marine customers. Where marine customer vessels travel to different jurisdictions, they require additional staff with knowledge and experience in those jurisdictions.⁴⁵
 - (b) However, the CMA has also seen evidence that some marine customers do not involve additional logistical complexity and can be serviced in a similar way to non-marine customers:
 - (i) The Parties had told the CMA (in their Initial Submission) that customer requirements are generally similar across all four customer segments.⁴⁶
 - (ii) Whilst marine vessels are more mobile than fixed platforms or MODU,⁴⁷ it is not the case that all vessels move across multiple geographies or

⁴³ Notes of calls with third parties, April–May 2025.

⁴⁴ Parties' response to the CMA's section 109 notice, 10 April 2025 (**Section 109(3)**), paragraph 18.

⁴⁵ Note of a call with a third party, April 2025.

⁴⁶ Initial Submission, paragraph 3.5.

⁴⁷ Entier provided examples of its marine customers moving from the UKCS to the North Sea and beyond, for instance, to the Dutch/German region of the North Sea, Gibraltar, Angola, and the USA (Issues Letter Response, paragraph 6.4).

involve the same logistical complexity. Some of the Parties' marine customers, for example, are located permanently or predominantly in the UKCS.⁴⁸

- (iii) During the Issues Meeting, Aramark explained that, within marine, the renewables sector was 'quite different' and treated its customer in this sector 'very much like it is an oil and gas production facility' because it is a UK-flagged vessel that requires a UK crew.⁴⁹ In this context, vessels involved in the construction of windfarms have been identified by the Parties and by third parties as a target customer.⁵⁰ The CMA understands that they are long-term projects requiring a significant number of vessels that operate within a single geography. The CMA also notes that, in some of its internal documents, Entier treats renewable and decommissioning customers as distinct from marine customers.⁵¹
- (iv) Marine vessels are also used in decommissioning work, which again occurs within a limited geography. In their Initial Submission, the Parties submitted that opportunities on marine vessels used in decommissioning were growing.⁵² The potential growth of the marine segment due to decommissioning and the increase in renewables activity in the North Sea is also mentioned in some of the Parties' internal documents.⁵³

51. The CMA has also received mixed evidence as to whether marine customers have different competitive dynamics and competitor set:

- (a) The CMA received evidence of different competitive dynamics and suppliers for marine customers:
 - (i) One significant competitor does not compete for marine customers.⁵⁴ The shares of supply also differ for the marine and non-marine customer segments (see Tables 2 and 3 below).

⁴⁸ Issues Letter Response, paragraph 6.5.

⁴⁹ Parties' Issues Meeting presentation, 26 June 2025.

⁵⁰ See, for example, Aramark Internal Document, Annex 129 to the Enquiry Letter Response, "[REDACTED]", July 2023, slide 13; Entier Internal Documents, Annex 185 to the Enquiry Letter Response, "[REDACTED]", undated, slide 26; Annex 190, "[REDACTED]", undated, pages 8–10; Note of a call with a third party, April 2025, paragraph 16.

⁵¹ See, for example, Entier Internal Documents, Annex 185 to the Enquiry Letter Response, "[REDACTED]", undated, slides 23 and 28; Annex 210 to the Enquiry Letter Response, "[REDACTED]", 24 April 2024, page 1; Annex 189 to the Enquiry Letter Response, "[REDACTED]", July 2023, slide 8.

⁵² Initial Submission, paragraph 4.21.

⁵³ Aramark Internal Documents, Annex 115 to the Enquiry Letter Response, "[REDACTED]", 10 September 2024, slide 4; Annex 129 to the Enquiry Letter Response, "[REDACTED]", 15 July 2023, slide 11; Entier Internal Document, Annex 192 to the Enquiry Letter Response, "[REDACTED]", slide 11.

⁵⁴ Response to the CMA's questionnaire from a third party, May 2025.

- (ii) Marine contracts are typically agreed through bilateral negotiations rather than formal tenders.
 - (iii) Marine is a smaller and more nascent (but growing) part of the market with fewer customers.⁵⁵ A small number of internal documents from both Parties identify marine as a potential growth segment given decommissioning and the increase in renewables activity in the North Sea.⁵⁶
- (b) However, the CMA has also received evidence that there is material overlap in the competitor set for marine and non-marine customers:
- (i) Almost all of the Parties' competitors said that they could serve all customer segments.
 - (ii) The Parties both generate revenue from all customer segments, with both Parties earning most of their revenue from O&G and MODU customers.^{57,58}
 - (iii) The Parties' internal documents typically discuss competition across all offshore customer types and do not discuss competition for marine customers separately.⁵⁹

52. Overall, while the evidence is mixed and there appears to be a degree of differentiation between the marine and non-marine customer segments, the CMA does not consider it necessary to define a separate market for marine customers.

53. The CMA has taken into account the differences in competitive dynamics in the marine segment to the extent relevant in the competitive assessment. The CMA notes, however, that, as discussed below, the data the CMA gathered in the course of its investigation suggests that competitive dynamics are not materially different between the marine and non-marine segments.

⁵⁵ According to the CMA's estimates of 2024 shares of supply, the marine segment represents 7% of the total market for offshore catering services.

⁵⁶ Aramark Internal Documents, Annex 115 to the Enquiry Letter Response, "[redacted]", 10 September 2024, slide 4; Annex 129 to the Enquiry Letter Response, "[redacted]", 15 July 2023, slide 11; Entier Internal Document, Annex 192 to the Enquiry Letter Response, "[redacted]", slide 11.

⁵⁷ See paragraph 100(d) below. The CMA notes that the Parties do not both currently have active accommodation barge customers. The Parties submitted that accommodation barges are more infrequent and inconsistent in their operation (Initial Submission, paragraph 4.6) which is reflected in the bidding data (discussed below). Accommodation barges represent just 1.5% of the overall market for offshore catering. The CMA has received no evidence, and no submissions from the Parties, to suggest that the Parties would not overlap in competing for contracts for accommodation barges.

⁵⁸ [redacted] told the CMA that it did not compete for marine customers.

⁵⁹ See, for example, Aramark Internal Document, Annex 129 to the Enquiry Letter Response, "[redacted]", 15 July 2023, slide 11.

5.2.1.2.2 Self-supply

54. The CMA has considered whether the product market should be widened to include self-supply. The CMA received very limited evidence to suggest that the relevant product market should include self-supply.⁶⁰
55. No customer that responded to the CMA's questionnaire stated that they would switch to self-supply in response to an increase in price or degradation in the quality of service provided by the Parties, as described in paragraph 145 below. All customers that provided an explanation for their answer said either that catering was not part of their core business, or that they lacked the necessary expertise to self-supply this service.⁶¹ This also appears to be consistent with the Parties' internal documents where the CMA has not seen significant evidence of the Parties discussing the competitive constraint imposed by self-supply.⁶²
56. It is not clear, in the two examples provided by the Parties, that Entier customers actually switched to self-supply. Entier internal documents indicate that the vessels sold to [X] left the UKCS for Denmark, the United States and the United Arab Emirates and, according to a separate submission from Aramark, are now supplied by [X] rather than being self-supplied.⁶³
57. The CMA recognises that a material proportion of marine vessels self-supply and has therefore considered to what extent that self-supply is a constraint against third-party suppliers. The CMA notes, however, that the vessels that account for almost all self-supply in the Parties' share of supply estimates are relatively small (with fewer than 40-50 POB). Information gathered by the CMA suggests that vessels of this size generally do not outsource catering services and that it is unlikely to be economically viable for suppliers to service them. On this basis, the CMA does not consider them to be part of the contestable market. Whilst the CMA has seen evidence of some customers switching to outsourced offshore catering from self-supply, that in itself is not evidence of a constraint (switching in one direction, particularly if a market is changing over time, is not evidence of a threat of switching in the other direction). The CMA also notes that, even if the size of the addressable market increases, for example if suppliers target more marine operators that currently self-supply as argued by the Parties, a significant

⁶⁰ Self-supply is sometimes alternatively referred to as 'in-house' catering.

⁶¹ Response to the CMA's questionnaire from a number of third parties, May 2025.

⁶² In one Aramark internal document, 'In-House' is listed as a competitor the UK, Norway, Denmark and the Netherlands (Aramark Internal Document, Annex 129 to the Enquiry Letter Response, "[X]", 15 July 2023, slide 11). However, the CMA has not seen any examples in internal documents of either Party having lost a customer to self-supply. In the Parties' Initial Submission, the Parties noted only that Boskalis (who self-supplies its marine vessels) considered outsourcing its catering requirements to Entier but decided to keep catering in-house. As discussed elsewhere in this decision, the Parties' internal estimates of self-supply in the UKCS range from 2-5.5%.

⁶³ The Entier internal document (Annex 205 to the Enquiry Letter Response, "[X]", January 2024, page 7) notes, for instance, that Entier [X]. Aramark Internal Document, Annex 258 to the CMA's Section 109(4) Notice, "[X]", sheet "[X]" states that the three relevant assets are supplied by [X].

proportion of customers would still not consider self-supply to be a viable alternative to outsourced catering.⁶⁴

58. Accordingly, the CMA considers the supply of outsourced offshore catering services to be the relevant product market, and that self-supply of offshore catering does not form part of the product market. However, self-supply has been considered as an out-of-market constraint in the competitive assessment.

5.2.2 Geographic market

5.2.2.1 Parties' submissions

59. For the purposes of the CMA's assessment, the Parties submitted that the relevant geographic market for all customer types should at least encompass the North Sea and not be further segmented.⁶⁵
60. In support of their argument that geographic market for all customers was at least wider than the UKCS, the Parties identified a small number of Aramark documents, and two Entier documents, which calculate market shares or revenues in relation to the North Sea as a whole, or otherwise refer to different regions (eg Europe, Africa and the Middle East) rather than just the UKCS.⁶⁶ The Parties submitted that:
- (a) competitors can and do compete across the North Sea (without necessarily needing to be based in one of the relevant countries);
 - (b) bidding data from the Parties indicates that tenders can span across the UKCS, the North Sea, and wider geographies;
 - (c) the competitive dynamics are the same across the whole North Sea;⁶⁷ and
 - (d) whilst it may be important for suppliers to have a local presence to secure contracts, particularly in the case of more permanent and sizeable contracts (eg for O&G production assets),⁶⁸ this can be quickly and easily established at low cost.⁶⁹ For example:
 - (i) While Aramark has [X] employees in Aberdeen, it has smaller offices in Norway, Denmark, and the Netherlands (each with [X] employees) which provide largely administrative functions;⁷⁰ and

⁶⁴ Response to the CMA's questionnaire from a number of third parties, May 2025.

⁶⁵ Issues Letter Response, paragraph 1.2(c).

⁶⁶ Initial Submission, paragraph 5.1.

⁶⁷ Initial Submission, paragraph 5.2(c).

⁶⁸ Initial Submission, paragraph 5.4.

⁶⁹ Initial Submission, paragraph 5.2(a); Issues Letter Response, paragraph 6.10.

⁷⁰ Issues Letter Response, paragraph 6.12.

- (ii) Aramark established a local presence in Norway through the purchase of Norsk Offshore Catering A-S (**Norsk Offshore Catering**) for [X], which the Parties considered evidence that there are limited costs associated with establishing a local presence in a new geographic location.

61. The Parties also submitted that there is no reason that assets in parts of the UKCS outside the North Sea (eg in the Irish Sea) should be treated differently than those inside the North Sea.⁷¹
62. In relation to marine customers specifically, the Parties further submitted that the relevant geographic market is more likely global in scope, given that the marine sector is characterised by highly mobile vessels that generally travel across geographies and that a local presence is not required to service marine contracts.⁷² In the Parties' view, a caterer providing services from Aberdeen, for example, to regions in the non-UKCS North Sea to marine customers would need to hire additional staff with knowledge or experience of the following:
- (a) the legal requirements of running a catering operation in the Netherlands, including local employment requirements and legislation;
 - (b) personnel logistics operations; and
 - (c) procurement of supplies.⁷³

5.2.2.2 CMA's assessment

63. The UKCS comprises the UK parts of the North Sea as well as the Irish Sea, North Atlantic and the English Channel. The CMA has taken the UKCS as a whole as its starting point. The CMA did not consider it necessary to consider competition in the non-North Sea portion of the UKCS separately as it would not have a material impact on the CMA's competitive assessment, given it accounts for a very small proportion of the Parties' revenues.⁷⁴

5.2.2.2.1 Demand-side substitution

64. The CMA first considered whether the geographic market should be broadened to include the North Sea on the basis of demand-side substitution (ie whether customers would consider using a supplier without a presence in the UKCS).

⁷¹ Parties' response to the CMA's request for information, 8 April 2025 (**RFI 1**), paragraph 12.

⁷² Issues Letter Response, paragraph 6.1.

⁷³ Issues Letter Response, paragraph 6.3.

⁷⁴ For example, in 2024, the CMA estimates that the non-North Sea portions of the UKCS accounted for less than 2% of total revenues in the UKCS.

65. All competitors supplying offshore catering in the UKCS – that responded to the CMA’s questionnaire – currently have a UKCS presence (eg through an office in Aberdeen). This applies to all customer segments, including marine customers based in the UKCS with assets which may move from the UKCS to other countries. Providers based in other North Sea countries that border the UKCS (such as COOR and Pellegrini) do not supply UK customers and rarely participate in bids for assets located in the UKCS section of the North Sea, as evidenced in the competitive assessment.
66. Given the Parties’ submissions, the CMA has considered the need for a local presence for marine and non-marine customers separately, to the extent possible.
67. In the marine segment, the evidence suggests that while some (but not all) marine vessels may move outside of the UKCS, a presence in the UKCS may be important for contracts that originate in the UKCS:
- (a) Marine customers that responded to the CMA’s questionnaire suggested a presence in the UKCS may be important, although evidence was mixed. For example, one customer explained that a local presence enables them to manage the contract with the supplier.⁷⁵ Another said that, although its vessels return to a home port on a regular basis, a local presence is not necessary, provided the supplier can support the vessel in any location.⁷⁶ A competitor told the CMA that personnel may prefer local produce, even when their vessel is overseas.⁷⁷
 - (b) The CMA’s third-party outreach did not identify any suppliers of offshore catering without a presence in the UKCS that supply or compete for UKCS-based marine customers.
68. Marine vessels that move from the UKCS to other regions may also require a presence in those regions, and sometimes the customer may change suppliers at that point:
- (a) The Parties explained that some local knowledge and experience may be beneficial, as set out above.
 - (b) The Parties do not necessarily continue to service customers when they move to a new geographic location, even where a master services agreement (**MSA**) is in place. This will depend, partly, on whether they have the capability and capacity to do so.⁷⁸ An Entier document also recognises

⁷⁵ Response to the CMA’s questionnaire from a third party, May 2025.

⁷⁶ Response to the CMA’s questionnaire from a third party, May 2025.

⁷⁷ Note of a call with a third party, April 2025.

⁷⁸ Parties’ ‘teach-in’ presentation to the CMA, 8 May 2025.

the risk of losing a contract when customers move to locations where it does not have a presence eg [REDACTED].⁷⁹

- (c) Aramark internal documents also recognise multi-country contracts as a challenge.⁸⁰

69. In the non-marine segment, the evidence collected by the CMA suggests that it is important for a supplier to be present in the UKCS:

- (a) O&G/MODU customers, as well as competitors, told the CMA that it is important for offshore catering suppliers to have a local presence in the UKCS or other region that they operate, and rated competitors without a local presence less highly.⁸¹
- (b) Third parties explained that local requirements may relate to the nationality of crew, the supply of produce, and/or presence of a local management team.⁸²
- (c) The Parties also considered it an advantage for some contracts, particularly for O&G production assets, to have a small presence where the contract is based, and explained that those seeking to supply the O&G market would need to establish a local presence.⁸³ Aramark explained that, in order to service one customer asset that moved between the UKCS, Denmark, the Netherlands within 12 months, it was required to use local crews in each new location.⁸⁴
- (d) An Entier internal document also identified an “increase in local content requirements” as a challenge in offshore catering, and the need to establish a local labour supply “wherever possible” as an action in response.⁸⁵
- (e) The CMA also considers the fact that Aramark acquired Norsk Offshore Catering in order to enable it to win business [REDACTED] in Norway indicates that Aramark itself recognises that customers value suppliers having a local presence.⁸⁶

⁷⁹ Entier Internal Document, Annex 190 to the Enquiry Letter Response, “[REDACTED]”, July 2023, page 23. See also Annex 192 to the Enquiry Letter Response, “[REDACTED]”, undated, slide 10, which identifies units relocating as a current challenge and notes that Entier “will assess new geographies and follow clients wherever possible”.

⁸⁰ Aramark Internal Documents, Annex 130 to the Enquiry Letter Response, “[REDACTED]”, 31 January 2024, slide 16; Annex 097 to the Enquiry Letter Response, “[REDACTED]”, slide 1.

⁸¹ Note of a call with a third party, April 2025, paragraph 16; Note of a call with a third party, April 2025, paragraph 9; Response to the CMA’s questionnaire from a number of third parties, May 2025.

⁸² Notes of calls with third parties, April–May 2025.

⁸³ Initial Submission, paragraph 5.4; Parties’ ‘teach-in’ presentation to the CMA, 8 May 2025.

⁸⁴ Parties’ ‘teach-in’ presentation to the CMA, 8 May 2025.

⁸⁵ Entier Internal Document, Annex 185 to the Enquiry Letter Response, “[REDACTED]”, slide 38.

⁸⁶ Aramark’s internal documents show that, prior to the acquisition, it had been unable to penetrate the Norwegian market [REDACTED] (Aramark Internal Document, Annex 129 to the Enquiry Letter Response, “[REDACTED]”, 15 July 2023, slide 21). Further, an Aramark internal document explains that [REDACTED] (Aramark Internal Document, Annex 167 to the Enquiry Letter Response, “[REDACTED]”, 2024, page 3).

70. As part of the CMA's tender analysis, the CMA reviewed tenders from marine and non-marine customers exclusive to the UKCS.⁸⁷ Although some customers procure offshore catering services in the UKCS and North Sea from a single supplier, tenders may be broken into lots which cover different geographic regions, with suppliers invited to bid for each lot separately.⁸⁸ Some of the competitors (including the Parties) that have a presence in the UK also have a presence in other parts of the North Sea, and therefore may independently be considered a viable option in each country. One competitor told the CMA that tenders were increasingly regionalised and that even large global customers may issue North Sea tenders broken down into separate nations' waters.⁸⁹

5.2.2.2.2 *Supply-side substitution*

71. The CMA also considered whether the market should include the North Sea on the basis of supply-side substitution (ie whether suppliers located in the non-UKCS North Sea could start offering offshore catering services in the UKCS).
72. The CMA considers that there are significant barriers to entry into the UKCS by suppliers active in other geographies, including in other parts of the North Sea. The CMA understands that suppliers are required to comply with various national laws and regulations, including in relation to labour.⁹⁰ As set out below, third parties explained that there are also a number of advantages associated with having scale within the UKCS. Further, when Aramark acquired Norsk Offshore Catering in order to enable it to win business in Norway, Aramark's own documents stated that customer feedback was that 'the time required to establish a team would take too long and introduce risk'.⁹¹
73. In terms of the similarity of competitive conditions between the UKCS and North Sea, some of the same competitors are present in multiple parts of the North Sea. However, the competitor set and shares of supply vary between the broader North Sea and UKCS (for example, Sodexo had a [0-5%] share in the UKCS in 2024 while in the non-UKCS North Sea it had a share of [20-30%]), with some competitors operating only regionally with no business in the UKCS, for example COOR. Aramark and Entier also have different shares of supply in the UKCS compared with other regions of the North Sea.⁹²

⁸⁷ [3<].

⁸⁸ The CMA has seen evidence of customers having awarded, or reserving the right to award, its North Sea business in separate lots to potentially separate suppliers.

⁸⁹ Note of a call with a third party, May 2025.

⁹⁰ Notes of calls with third parties, April–May 2025.

⁹¹ Aramark Internal Documents, Annex 129 to the Enquiry Letter Response, "[3<]", 15 July 2023, slide 21; Annex 167 to the Enquiry Letter response, "[3<]", page 2.

⁹² In the UKCS, Aramark and Entier each have a share of supply of [30-40]% and [20-30%], respectively. In the North Sea, Aramark and Entier each have a share of supply of [30-40]% and [10-20%], respectively.

74. Consistent with this, although some Aramark internal documents calculate shares of supply for the whole North Sea,⁹³ many more suggest Aramark monitors the UKCS and other regions of the North Sea separately. This suggests that there are differences in the competitive conditions between regions of the North Sea. For example:
- (a) An Aramark document titled '[redacted]' assesses the offshore catering market in the UK, Denmark, Germany, the Netherlands, and Norway separately and considers Aramark's prospects of success in each differently.⁹⁴
 - (b) An Aramark document notes that competitors 'differ by operating region' and lists different competitors for the UK, Norway, Denmark, and the Netherlands.⁹⁵ Similarly, a strategy slide deck monitors major competitors and market shares in the UKCS and Scandinavia separately.⁹⁶
 - (c) An Aramark document prepared for a quarterly sales meeting in September 2024 identifies opportunities in the UK, Norway and Denmark separately.⁹⁷
75. On the basis of evidence gathered, the CMA considers that the appropriate geographic market is the UKCS. The CMA considers that, on a cautious basis, this would also be the case even if assessing the impact of the Merger only on the marine customer segment. However, the CMA recognises that this is subject to some uncertainty given that some marine vessels move between the UKCS and other countries.

5.2.3 Conclusion

76. The CMA has therefore assessed the impact of this Merger on the supply of outsourced offshore catering in the UKCS.

5.3 Theory of harm

77. The CMA assesses the potential competitive effects of mergers by reference to theories of harm. Theories of harm provide a framework for assessing the effects of a merger and whether or not it could lead to an SLC relative to the counterfactual.⁹⁸

⁹³ Initial Submission, paragraph 5.1.

⁹⁴ Aramark Internal Document, Annex 126 to the Enquiry Letter Response, "[redacted]", March 2025.

⁹⁵ Aramark Internal Document, Annex 129 to the Enquiry Letter Response, "[redacted]", July 2023, slides 10 and 11.

⁹⁶ Aramark Internal Document, Annex 130 to the Enquiry Letter Response, "[redacted]", January 2024, slides 8 and 9.

⁹⁷ Aramark Internal Document, Annex 128 to the Enquiry Letter Response, "[redacted]", September 2024, slide 4.

⁹⁸ [CMA129](#), paragraph 2.11.

78. In its investigation of this Merger, the CMA has considered the following theory of harm: horizontal unilateral effects in the supply of outsourced offshore catering in the UKCS.

5.3.1 Horizontal unilateral effects in the supply of outsourced offshore catering in the UKCS

79. Horizontal unilateral effects may arise when one firm merges with a competitor that previously provided a competitive constraint, allowing the merged entity profitably to raise prices or to degrade quality on its own and without needing to coordinate with its rivals.⁹⁹ Horizontal unilateral effects are more likely when the parties to a merger are close competitors.¹⁰⁰

80. The CMA has assessed whether it is or may be the case that the Merger has resulted, or may be expected to result, in an SLC as a result of horizontal unilateral effects in the supply of outsourced offshore catering services in the UKCS. The CMA has considered evidence (including submissions, internal documents and data) from the Parties and from third-party competitors and customers. In particular, the CMA has assessed:

- (a) shares of supply;
- (b) bidding data;
- (c) internal documents;
- (d) third-party views; and
- (e) market developments.

5.3.1.1 *Shares of supply*

81. Shares of supply can be useful evidence when assessing closeness of competition, particularly when there is persuasive evidence as to which potential substitutes should be included or excluded or when the degree of differentiation between firms is more limited. In such circumstances, a firm with a higher share of supply is more likely to be a close competitor to its rivals.¹⁰¹

⁹⁹ [CMA129](#), paragraph 4.1.

¹⁰⁰ [CMA129](#), paragraph 4.8.

¹⁰¹ [CMA129](#), paragraph 4.14.

5.3.1.1.1 *Parties' submissions*

82. The Parties submitted that they compete in a market characterised by a competitive tender process. On this basis, the Parties believe that market shares are not a good indicator of market position.¹⁰²
83. The Parties submitted that current and recent shares of supply fail to take into account market dynamics¹⁰³ The Parties also submitted that they have vastly different customer bases: Aramark has traditionally focused on O&G production and MODU contracts, while a significant proportion of Entier's customer base is increasingly in the marine market. Specifically, approximately [X]% of Entier's revenues in 2024 were attributable to marine customers, while only [X]% of Aramark's were in marine.¹⁰⁴ The Parties also submitted that Entier's focus is increasingly on marine, while Aramark does not anticipate its revenues to significantly grow in the marine segment, and they submitted revenue forecasts to evidence this.¹⁰⁵ The Parties submitted that these changes in market dynamics will lead to the overall market size and shares of supply rapidly changing.¹⁰⁶
84. While the CMA considers that the relevant market comprises the supply of offshore catering services to all customer types in the UKCS, the CMA assessed shares of supply for marine customers and non-marine customers separately in the Issues Letter to understand any difference in competition to supply those customers. Regarding the CMA's estimates of the Merged Entity having a share of supply of 80-90% in the marine segment in the UKCS, the Parties submitted that the CMA's estimates fail to take into account:
- (a) The patterns of procurement and movement of vessels (as described in Geographic Market Definition above) which make it difficult to accurately provide revenue breakdowns by location.¹⁰⁷
 - (b) The constraint within the marine segment from the following suppliers which services vessels based at least partly in the UKCS:
 - (i) IFS, which the Parties view as a credible competitor and was not included in the CMA's estimates. The Parties submitted that IFS has contracts with Acta Marine, and Boskalis (for eight vessels).¹⁰⁸

¹⁰² Enquiry Letter Response, paragraph 9(b).

¹⁰³ Issues Letter Response, paragraph 1.2(a).

¹⁰⁴ Issues Letter Response, paragraphs 3.1 and 3.2.

¹⁰⁵ The Parties forecast that Aramark will have moderate increases in the marine segment from [X]% in 2022 to [X]% in 2026.

¹⁰⁶ Issues Letter Response, paragraphs 3.2, 3.3 and 6.7.

¹⁰⁷ Issues Letter Response, paragraph 6.9.

¹⁰⁸ The CMA notes that, in their Initial Submission, the Parties gave [X] as an example of a vessel operator that self-supplied but noted that it had recently re-engaged with Entier with intention to provide a trial unit for Entier to provide offshore catering to (paragraph 4.16). The CMA notes that both Parties' internal documents are consistent with [X] self-

(ii) Sodexo, which services three vessels for Seafox.¹⁰⁹

(iii) Francois which services one vessel for Gulf Marine Services.¹¹⁰

85. The Parties' submissions suggested that shares may understate the competitive constraint exerted by smaller suppliers or new entrants.¹¹¹ The Parties submitted that scale is not important to compete effectively, specifically, price efficiencies are not driven by purchase volumes because: (i) customers have unique requirements and discounts are passed on to customers (due to customer cost audits); and (ii) the market is small and transparent meaning pricing knowledge easily transfers with personnel, enabling similar terms to be renegotiated with Strachans (which is *de facto* the only supplier of raw materials to offshore caterers).¹¹²
86. Finally, as described in paragraph 62 above, the Parties also submitted that the relevant geographic market for non-marine customers should at least encompass the North Sea, suggesting shares of supply on that basis would be more informative than those for the UKCS only.

5.3.1.1.2 CMA's assessment

87. The Parties estimated shares of supply for the Merged Entity and its rivals in the supply of offshore catering services in the UKCS in 2024. These estimates were based on Aramark's internal knowledge of the industry and its non-exhaustive internal collation of tender opportunities that it calls the 'North Sea database'.¹¹³
88. As the information available to the Parties was limited, the CMA has reconstructed market shares by gathering information from the Parties and their competitors about the revenues they earned from the supply of offshore catering services in the period from 2022 to 2024. The CMA has looked at shares over three years to account for the fact that shares may fluctuate year on year due to customer losses and gains.¹¹⁴
89. For the reasons set out in paragraphs 54 to 58 of the market definition section, the CMA does not currently consider it to be appropriate to include self-supply in the share of supply estimates.

supplying its marine vessels (see, for example, Aramark Internal Document, Annex 258 to Section 109(4), "[>]", 7 May 2025).

¹⁰⁹ Issues Letter Response, paragraph 6.8(b).

¹¹⁰ Issues Letter Response, paragraph 6.8(c).

¹¹¹ The Parties submitted that barriers to entry and expansion are limited as the core inputs required to provide the services are largely fixed (ie equipment, staff and consumables) and constitute a very high proportion of the total value of the contract. In the Parties' view, the proposed management fee is the sole differentiator in prices offered to the client (Parties' response to RFI 2, paragraph 5.3; Issues Letter Response, paragraph 7.12).

¹¹² Issues Letter Response, paragraph 7.9.

¹¹³ Aramark Internal Document, Annex 121 to the Enquiry Letter, "[>]", June 2024.

¹¹⁴ The Parties submitted that customer contracts typically last 3-5 years (Response to Section 109(3), paragraph 9). Therefore, the CMA considers looking at shares over a three-year time period to be appropriate.

90. Table 1 sets out the CMA's estimates of shares of supply in offshore catering services in the UKCS from 2022 to 2024. Based on these estimates, the Merger would combine the largest and the third largest supplier in the market. Aramark and Entier had consistently high shares of supply in offshore catering services in the UKCS over this period, accounting for a very substantial combined average share of [60-70%] over the three-year period.
91. ESS is the only other major supplier with a share of [30-40]% in 2024 and [30-40]% on average over 2022 to 2024. Together, Aramark, Entier and ESS account for [90-100]% of the market revenue on average over the three-year period. Sodexo, the fourth-largest supplier, declined from [10-20]% in 2022 to [0-5]% in 2024.

Table 1 CMA estimates of share of supply for offshore catering services in the UKCS, 2022-2024

	2022	2023	2024	Average (2022-2024)
Aramark	[30-40%]	[30-40%]	[30-40%]	[30-40%]
Entier	[20-30%]	[20-30%]	[20-30%]	[20-30%]
Parties	[60-70%]	[60-70%]	[50-60%]	[60-70%]
ESS	[20-30%]	[30-40%]	[30-40%]	[30-40%]
Sodexo	[10-20%]	[0-5%]	[0-5%]	[5-10%]
Francois Offshore Catering	[0-5%]	[0-5%]	[0-5%]	[0-5%]
Foss	[0-5%]	[0-5%]	[0-5%]	[0-5%]
Oceanwide	[0-5%]	[0-5%]	[0-5%]	[0-5%]
Total	100%	100%	100%	100%

Source: The Parties and their competitors.

92. Evidence from the Parties' internal documents indicates that the shares of supply calculated by the CMA are broadly consistent with the Parties' own internal estimates. Specifically:
- (a) An Aramark strategy document from January 2024 analyses shares of supply in offshore catering services in the UKCS.¹¹⁵ According to this document, Aramark has a share of 40% in the UKCS followed by ESS with a 34% share and Entier with a 21% share.
 - (b) An Aramark document from July 2024 analyses the Parties revenues and shares pre- and post-Merger in the UKCS.¹¹⁶ This document shows that the only competitors with material shares in the UKCS are Aramark, Entier and ESS with a revenue of [£<] respectively.¹¹⁷ Sodexo and Francois Offshore Catering Limited (**Francois**) are shown to control [£<] of this market, with a revenue of [£<] respectively.

¹¹⁵ Entier Internal Document, Annex 130 to the Enquiry Letter Response, "[£<]", January 2024.

¹¹⁶ Aramark Internal Document, Annex 133 to the Enquiry Letter Response, "[£<]", July 2024.

¹¹⁷ The document estimates that pre-acquisition Aramark has a [30-40]% share, Entier has a [20-30]% share, and ESS has a [30-40]% share.

(c) An Entier Business Plan for financial years 2024 to 2028 analyses shares of material rivals and the Parties in the UKCS from 2008 to 2023.¹¹⁸ The shares estimated in this document are similar to those considered by the CMA (for 2022 to 2024) and reinforce that the Parties and ESS have had a consistently high share of supply in offshore catering services in the UKCS over time.¹¹⁹ This document also highlights how Sodexo's share in the UKCS has consistently declined since 2018 and as such is broadly consistent with Sodexo's shares as calculated by the CMA from 2022 to 2024.

93. In response to the Parties' submissions, and notwithstanding the CMA's view that the relevant market comprises the supply of offshore catering services to all customer types in the UKCS, the CMA has also calculated shares of supply in two narrower segments of offshore catering services in the UKCS, notably marine and non-marine (ie O&G production, MODU and accommodation barges).¹²⁰
94. The marine segment is substantially smaller £[<] million in 2024] than the combination of the other offshore catering segments having a total value of £[<] million, representing only around 6% of the total offshore catering services market in the UK.
95. As shown below in Table 2 and Table 3 below, the Parties would be two of the three largest suppliers of offshore catering services both to marine and to non-marine customers if these segments were considered separately. Entier is the market leader with an average share of supply of [70-80]% over the three-year period, while Aramark had [20-30]% and Foss [10-20]%. The Parties combined have a very substantial share of [80-90]% in 2024 and [90-100]% over the three-year period.
96. While there is a smaller competitor set for marine customers than for other offshore catering customers, the competitor set for these customers represents a sub-set of the competitors in the broader market. ESS does not currently supply marine customers.
97. While the Parties argued that multiple competitors are active in the marine segment in the UK, aside from the Parties, only one other competitor - Foss - has confirmed to the CMA that it is currently generating revenue in this segment in the UK.¹²¹ Sodexo and Francois, who the Parties identified as having marine business

¹¹⁸ Entier Internal Document, Annex 185 to the Enquiry letter, "[<]", 2023, slides 15 and 16.

¹¹⁹ Aramark's market share is estimated to be [20-30]% between 2018 and 2023, whilst Entier's market share is estimated to be [20-40]% for the same time period.

¹²⁰ The CMA notes that the Parties submitted that only Aramark earns revenues from accommodation barges. However, the CMA notes that the overall market size for accommodation barges (£[<] million in the UKCS, 2024) is small relative to O&G and MODUs (£[<] million). Therefore, excluding accommodation barges would not materially affect the shares of supply.

¹²¹ The CMA notes that ESS is not currently active in supplying offshore catering services to marine customers in the UKCS.

at least partly in the UKCS, told the CMA that they did not earn revenue from marine customers in the UKCS in the relevant period.¹²²

98. Table 2 sets out the CMA's estimates of shares of supply in offshore catering services to marine assets in the UKCS from 2022 to 2024.
99. Between 2022 and 2024, the size of the UKCS marine sector has doubled, growing from £[×] million to £[×] million. Although Entier's revenues from marine customers increased over this period, its share of supply declined as Aramark and Foss expanded.¹²³

Table 2 CMA estimates of share of supply for offshore catering services to marine customers in the UKCS, 2022-2024

	2022	2023	2024	Average (2022-2024)
Aramark	[10–20%]	[20–30%]	[20–30%]	[20–30%]
Entier	[70–80%]	[70–80%]	[60–70%]	[70–80%]
Parties	[90–100%]	[90–100%]	[80–90%]	[90–100%]
Foss	[0–5%]	[5–10%]	[10–20%]	[5–10%]
Total	100%	100%	100%	100%

Source: The Parties and their competitors.

100. Table 3 sets out the CMA's estimates of shares of supply in offshore catering services to non-marine customers in the UKCS from 2022 to 2024. Similarly to the shares of supply for all offshore catering services in the UKCS, the Merged Entity would have a combined average share of supply of [50-60]% over the three-year period, with ESS as the only other large supplier with an average share of supply of [30-40]%. Again, Sodexo, the fourth largest supplier, experienced a significant decline from [10-20]% in 2022 to [0-5]% in 2024.

Table 3 CMA estimates of share of supply for offshore catering services to non-marine customers in the UKCS, 2022-2024

	2022	2023	2024	Average (2022-2024)
Aramark	[30–40%]	[30–40%]	[30–40%]	[30–40%]
Entier	[20–30%]	[20–30%]	[10–20%]	[20–30%]
Parties	[50–60%]	[50–60%]	[50–60%]	[50–60%]
ESS	[20–30%]	[30–40%]	[30–40%]	[30–40%]
Sodexo	[10–20%]	[0–5%]	[0–5%]	[5–10%]
Francois	[0–5%]	[0–5%]	[0–5%]	[0–5%]
Foss	[0–5%]	[0–5%]	[0–5%]	[0–5%]
Oceanwide	[0–5%]	[0–5%]	[0–5%]	[0–5%]
Total	100%	100%	100%	100%

Source: The Parties and their competitors.

¹²² Responses to the CMA's questionnaire from a number of third parties, May 2025.

¹²³ Entier's share of supply declined from [70–80%] in 2022 to [60-70]% in 2024. Aramark's share of supply increased from [10–20%] in 2022 to [20-30]% in 2024. Foss' share of supply increased from [0–5%] in 2022 to [10-20]% in 2024.

101. The following paragraphs set out the CMA's assessment of the Parties' submissions on shares of supply.
102. The Parties submitted that the offshore catering market is characterised by a competitive tender process and shares of supply are not good indicators of market positions. In relation to this, the CMA notes that, in tender markets, shares might be a weak indicator given that they can change significantly when suppliers win or lose key customers. However, as explained in paragraph 88 above, the CMA has calculated shares of supply over a three-year period to mitigate risks associated with wins and losses. The CMA considers that a three-year period is appropriate given that the length of contracts in this market is generally three to five years.¹²⁴ In addition, as explained in paragraph 113(e) below, not all customers use a tender process to select an offshore catering provider and, therefore, the share of supply data captures the competitors' revenue not reflected in the bidding data. On this basis, the CMA considers that the shares of supply data is indicative of the Parties' and their competitors' respective positions.
103. The Parties also submitted that Aramark and Entier focus on different segments of the market. Entier does earn a greater proportion of its revenues from, and has a greater share of, the marine segment than Aramark, and Aramark does have a larger share of the O&G and MODU segments. These differences do not, however, limit the competitive constraint the Parties impose on each other. In both the marine and non-marine segments of the market, the Parties are two of just three large competitors. Furthermore, while Entier earns a greater proportion of its revenues from the marine segment than Aramark, it remains the case that the large majority of Entier's revenues are earned in other segments. Specifically, in 2024, [X]% of Entier's revenue was derived from O&G and MODU customers, with [X]% derived from marine customers, whereas [X]% of Aramark's revenue was derived from O&G customers, with [X]% derived from marine customers.
104. For the Issues Meeting, the Parties also prepared revenue forecasts by customer type for 2026, which they consider indicate an increase in divergence between the Parties in terms of customer types served. The Parties did not submit a detailed methodology, although the CMA notes that these forecasts appear to reflect an extrapolation of growth in current revenues rather than expected future wins/losses based on changing market dynamics. Further, their latest forecasts were updated while the Merger was in contemplation. Therefore, the CMA has placed limited weight on these revenue forecasts.¹²⁵ Nevertheless, the CMA notes that Entier's projected revenue generation from marine customers in 2026 was less than half its total revenues ([X]%) in these projections.¹²⁶ Separately, the

¹²⁴ Parties' response to Section 109(3), paragraph 9.

¹²⁵ [CMA2](#), paragraph 2.29(a).

¹²⁶ Parties' Issues Meeting presentation, 26 June 2025, slide 8.

CMA has also considered the Parties' submissions in relation to developing market dynamics in paragraphs 161 to 166 below.

105. The Parties submitted that IFS is a strong competitor in marine. The CMA did not receive revenue figures from IFS and, therefore, it has not included IFS in its shares of supply estimates. However, prior to their Issues Letter Response, the Parties did not identify IFS as a competitor in the UKCS, nor did they include IFS in their estimates of shares of supply.¹²⁷ It is unclear whether IFS is active in the UKCS (or if its customers are located in the non-UKCS parts of the North Sea). According to IFS' website, it is headquartered in Belgium but has a presence in Poland, Singapore, the Philippines and Africa.¹²⁸ Nonetheless, the CMA has considered further evidence on the competitive constraints imposed by IFS when analysing the Parties' internal documents and views from third parties below.
106. The Parties suggested that the shares of supply understate the competitive constraint exerted by smaller suppliers or new entrants. The Parties submitted that scale is not important to compete effectively, specifically, price efficiencies are not driven by purchase volumes. However, as shown in the CMA's analysis of bidding data below, only the Parties and ESS have won multiple contracts since 2023. Further, as explained in paragraph 156 below, competitors submitted that scale enables bids to be more cost-effective. An Entier internal document also discusses the purchasing power it has as a result of economies of scale.¹²⁹
107. Finally, the Parties submitted that a broader North Sea market definition is more appropriate. While the CMA considers that the relevant geographic market is the UKCS, the CMA calculated shares of supply for offshore catering services to marine and non-marine customers in the North Sea for the period 2022 to 2024 to understand any differences in those shares. If shares were assessed on that basis, the Merged Entity would remain the largest supplier of both marine and non-marine services (and in an overall market for offshore catering services in the North Sea) and the shares would continue to suggest that the Merged Entity would be one of two large suppliers with more limited constraints from other competitors. The main difference in the shares if the entire North Sea is considered is that Sodexo has a moderate share of all offshore catering services and of non-marine catering services, and a material share of marine catering services, both of which are larger than its share in the UKCS.:

- (i) *Marine*: The Merged Entity would be the largest competitor, with a combined share of [40-50]% over the three-year period (with an [5-10]%

¹²⁷ In their Initial Submission, the Parties noted only that IFS currently services one contract in the North Sea (paragraph 4.18). The CMA also asked Aramark and Entier to each provide contact details for 10 main competitors and neither identified (nor provided details for) IFS. The CMA has therefore been unable to verify the Parties' relatively late submission that IFS has marine business in the UKCS.

¹²⁸ [About IFS](#) – last accessed 10 July 2025.

¹²⁹ See, for example, Entier Internal Document, Annex 223 to the Enquiry Letter Response, "[><]", March 2023, slide 2. Entier also told the CMA that [><] (Response to RFI 2, paragraph 2.2).

increment).¹³⁰ The next largest competitor would be Sodexo, which had with a share of [30-40]% over the three-year period.¹³¹ The market would be very concentrated with the Merged Entity and Sodexo accounting for [80-90]% in 2024 and [80-90]% over the three-year period. Foss has a share of supply of [10-15]% over the three-year period.¹³²

- (ii) *Non-marine*: the Merged Entity would be the largest competitor, with a combined share of [40-50]% over the three year period (with [10-20]% increment).¹³³ ESS had a share of [30-40]% over the three year period,¹³⁴ and Sodexo had a moderate but larger share than in the UKCS of [10-20]% over the three-year period (although it also declined during this period).¹³⁵ The other competitors, namely Foss, Francois and Oceanwide each have a share of less than [0-5]% respectively (both for 2024 and over the three-year time period).

108. On the basis of the above, the CMA considers that the share of supply estimates suggest that the Parties and ESS are the only three significant suppliers of offshore catering services in the UKCS.

5.3.1.2 *Bidding data*

5.3.1.2.1 *Parties' submissions*

109. The Parties submitted an analysis of their bidding data for tender opportunities to supply offshore catering services to different customer types in the UKCS and the broader North Sea. The bidding data relied on by the Parties for this analysis covers the period from March 2021 to May 2025.¹³⁶
110. The Parties submitted that, based on their bidding activity, they overlap with each other less than they do with ESS and Sodexo, which they identified as bidding on 15 of the 18 contracts where at least one of the Parties submitted a bid since 2021.¹³⁷ In addition, the Parties submitted that:

¹³⁰ Aramark had a share of [10-20]% in 2024 and [5-10]% over the three-year period. Entier had a share of [40-50]% in 2024, and [30-40]% over the three-year period.

¹³¹ Sodexo had a share of [40-50]% in 2022, [20-30]% in 2024 and [30-40]% over the three-year period for offshore catering services to marine customers in the North Sea.

¹³² Foss had a share of [10-20]% in 2022, [10-20]% in 2024 and [10-20]% over the three-year period for offshore catering services to marine customers in the North Sea.

¹³³ Aramark had a share of [30-40]% in 2022, [30-40]% in 2024 and [30-40]% over the three-year period for offshore catering services to non-marine customers in the North Sea. Entier had a share of [10-20]% in 2022, [10-20]% in 2024, and [10-20]% over the three-year period.

¹³⁴ ESS had a share of supply of [30-40]% to non-marine customers in the North Sea in 2024.

¹³⁵ Sodexo had a share of [10-20]% to non-marine customers in the North Sea in 2024.

¹³⁶ Initial Submission, paragraph 4.23.

¹³⁷ Initial Submission, paragraph 4.26; Issues Letter Response, paragraph 3.4.

- (a) This limited overlap is driven in part by Entier's decision not to bid on some O&G production contracts (mainly because of concerns about liability linked to decommissioning) and accommodation barge contracts, and Aramark not bidding on marine contracts (due to concerns arising from the multi-jurisdictional nature of the work including geographies Aramark is not currently operating in).
- (b) The CMA's bidding data analysis indicates that ESS, Francois and Sodexo are more likely to bid on contracts also bid on by Aramark and Entier, and therefore, they compete more closely with the Parties than the Parties do with each other.¹³⁸
- (c) Other suppliers that have bid for contracts in the North Sea are Conntrak Catering (**Conntrak**), 4Service,¹³⁹ Francois, Coor, Pellegrini and Trinity.¹⁴⁰

5.3.1.2.2 CMA's analysis

- 111. In its analysis, the CMA used the bidding data submitted by the Parties which was subsequently cross-checked with data provided by competitors.¹⁴¹ The final dataset consisted of 16 tender opportunities for the time period 2023 to 2025.¹⁴² Three of the contracts in the Parties' bidding data were bilateral negotiations¹⁴³ and these contracts have been excluded from the CMA's analysis.¹⁴⁴
- 112. In terms of geographic coverage, all of the contracts included assets located in the UKCS: eight were exclusive to UKCS-based assets, while the other eight contracts included assets based in the UKCS as well as assets based in other parts of the North Sea; no contract in the tender analysis was exclusive to non-UK regions of the North Sea.¹⁴⁵
- 113. The CMA notes that there are certain limitations to the tender analysis. Specifically:

¹³⁸ Issues Letter Response, paragraphs 3.4 and 3.5

¹³⁹ 4Service and ESS are subsidiaries of Compass Group plc (Issues Letter Response, paragraph 4.18(a)).

¹⁴⁰ Based on the Parties' data, COOR and Pelligrini did not bid for contracts in the UKCS.

¹⁴¹ For completeness, the CMA also reached out to customers to collect evidence on their past questions but received limited responses to that question.

¹⁴² This includes data from [X].

¹⁴³ Annex 2 of the Parties' response to the CMA's section 109 notice, 19 May 2025 (**Section 109(6)**).

¹⁴⁴ The CMA specifically requested data on bidding opportunities from both the Parties and their competitors. While Entier included certain bilateral negotiations in its response to this request, the CMA removed those contracts from the data set. The CMA is proceeding on the basis that the data from competitors did not also include bilateral negotiations given the language used in the CMA's request. To the extent any competitors also included bilateral negotiations in their response, this approach is conservative as it would then overstate the activities of those competitors.

¹⁴⁵ The CMA reached out to the ten main competitors of Aramark identified by the Parties in response to question 36(b) of the Enquiry Letter, irrespective of whether they were focused in the UKCS or the areas of the North Sea outside UKCS. The CMA asked competitors to submit all bids made over the past two years for each of the UKCS part of the North Sea and the non-UKCS part of the North Sea.

- (a) The relatively small sample of 16 tenders constrained the CMA's ability to draw meaningful inferences regarding competition from the tender data.
- (b) The CMA was not able to identify winners for four of the 16 tenders.^{146,147} In some of these cases it appears that the tenders may still be ongoing, and therefore, a winner has not yet been announced.¹⁴⁸
- (c) While the CMA considers that shortlisted bidders may have been more informative than all bidders for each contract, it notes that the Parties and competitors were not able to identify shortlisted competitors for most tenders.^{149,150}
- (d) The CMA was unable to weight bids by tender value, and therefore, the relative importance of larger contracts has not been captured (the value of contracts, however, is implicitly captured in the CMA's share of supply analysis).
- (e) Not all customers use a tender process to select an offshore catering provider.¹⁵¹ Several customers (eg [X]) told the CMA that they prefer rolling contracts with a supplier rather than opting for a tender process each time the contract comes up for renewal.¹⁵² The bidding data analysis therefore covers only a subset of customers¹⁵³ and, therefore, it might not be representative of competition for customers more broadly.

114. Notwithstanding the limitations, the CMA considers that the analysis that it has conducted using third-party cross-checks is informative of the extent of competition involving tenders between the Parties and their competitors. However, the CMA has carefully considered the results of its bidding analysis in the round, alongside other sources of evidence such as shares of supply, internal documents and the views of third parties.

5.3.1.2.2.1 *Bidding frequency and bidding success*

115. The CMA has looked at the bidding frequency of the Parties and third parties using all of the relevant tenders (a total of 16 tenders). For four tenders, the winner was not known to the CMA. Therefore, bidding success of each supplier is considered

¹⁴⁶ Initial Submission, Table 1.

¹⁴⁷ Annex 2 of the Parties' response to Section 109(6).

¹⁴⁸ For three of the four tenders where the winner is not known to the CMA, at least one third party informed the CMA that the tender is still ongoing.

¹⁴⁹ Initial Submission, Table 1.

¹⁵⁰ Annex 2 of the Parties' response to Section 109(6).

¹⁵¹ Notes of calls with third parties, April–May 2025; Response to the CMA's questionnaire from a third party, May 2025, question 4(a).

¹⁵² Response to the CMA's questionnaire from a number of third parties, May 2025. The Parties also included [X] in their tender data and confirmed that [X] were undertaking a price check rather than a full tender.

¹⁵³ Around [X] of Aramark's current customers and [X] of Entier's current customers.

in the context of the number of bids where the winner is known (a total of 12 tenders). The results of this analysis are presented in Table 4 below.

Table 4 Competitors for offshore catering services contracts in the UKCS and broader North Sea, 2023 – 2025

Competitor	Number of contracts bid for (Rank #)	Number of contracts bid on (where the winner is known) (Rank #)	Number of contracts won (Rank #)
Aramark	(#=1)	(#1)	(#1)
Francois	(#=1)	(#=2)	(#=4)
Sodexo	(#=1)	(#=2)	(below #5)
ESS	(#=4)	(#4)	(#-2)
Entier	(#=4)	(#=5)	(#-2)
Coor FM	(below #5)	(below #5)	(below #5)
Foss	(below #5)	(below #5)	(#=4)
Pellegrini	(below #5)	(below #5)	(below #5)
Albatros	(below #5)	(below #5)	(below #5)
AOS	(below #5)	(below #5)	(below #5)
Conntrak	(below #5)	(#below 5)	(below #5)
OSM Thome	(below #5)	(#below 5)	(below #5)
Total contracts	16	12	12

Source: CMA analysis of Parties' and third-party bidding data

116. Table 4 indicates that Aramark, Francois and Sodexo, are the most frequent bidders for contracts, followed by ESS and Entier. Of these, only the Parties and ESS have won multiple contracts since 2023, and out of the 12 recent contracts for which the CMA was able to identify a winner, [X] of these were won by one of the Parties:
- (a) Aramark bid on [X] out of the 16 contracts. Aramark won [X] of the [X] contracts for which it bid where the winner of the contract is known to the CMA.
 - (b) Entier bid on [X] out of the 16 contracts. Entier won [X] out of [X] of the contracts for which it bid where the winner of the contract is known to the CMA.
 - (c) [X], ESS won [X] out of [X] contracts where the winner of the contract was known to the CMA.
117. Francois and Sodexo both bid for a similar number of contracts as the Parties, participating in [X] tenders out of the 16 tenders. However, both Francois and Sodexo won less often than the Parties, with Francois winning [X], and Sodexo winning [X], where they bid and the winner was known to the CMA. Foss bid for [X] winning [X] where the winner was known to the CMA. No other supplier bid for a material number of contracts or won any contracts.
118. In terms of segmentation by customer type:

- (a) 12/16 contracts considered by the CMA are for O&G, MODU and accommodation barge customers.¹⁵⁴ Both Parties bid for contracts for these customers, and the analysis above does not materially change for this set of contracts.
- (b) 4/16 contracts considered by the CMA are for marine customers. Given the very small sample size the CMA was unable to make inferences about competition for marine customers using this data. Nonetheless, the CMA notes that both Parties have bid for marine contracts over the past three years.¹⁵⁵

5.3.1.2.2.2 *Bidders and winners against Aramark*

119. The CMA also considered the bidders and winners specifically for contracts bid for by Aramark (a total of [REDACTED] tenders). The results of which are presented in Table 5 below.

Table 5 Competitors for offshore catering services contracts bid for by Aramark, 2023-2025

Competitor	Number of contracts bid for (Rank #)	Number of contracts bid for (where the winner is known) (Rank #)	Number of contracts won (Rank #)
Aramark	[REDACTED]	[REDACTED]	[REDACTED]
Sodexo	(#=1)	(#=1)	(#=4)
Francois	(#=2)	(#=2)	(#=2)
ESS	(#=3)	(#=3)	(#1)
Entier	(#=4)	(#=4)	(#=2)
Coor FM	(#=5)	(#=5)	(#=4)
Pellegrini	(below #5)	(below #5)	(#=4)
Albatros	(below #5)	(below #5)	(#=4)
AOS	(below #5)	(below #5)	(#=4)
Conntrak	(below #5)	(below #5)	(#=4)
Foss	(below #5)	(below #5)	(#=4)
OSM Thome	(below #5)	(below #5)	(#=4)
Total	[REDACTED]	[REDACTED]	[REDACTED]

Source: CMA analysis of Parties' and third-party bidding data

120. As shown in Table 5, Entier participated in nearly half ([REDACTED] of [REDACTED]) tenders bid for by Aramark over the period 2023–2025.

121. In relation to other competitors, the analysis indicates that:

¹⁵⁴ Specifically, [REDACTED].

¹⁵⁵ Of the [REDACTED] contracts Aramark bid for, [REDACTED] were for O&G, [REDACTED] were for MODU, [REDACTED] for marine and was [REDACTED] for an accommodation contract. Of the [REDACTED] contracts Entier bid for, [REDACTED] were for O&G, [REDACTED] were for MODU and [REDACTED] was for marine.

- (a) Sodexo, Francois, and ESS competed frequently against Aramark, and more often than Entier, participating in a majority of tenders ([<]) that Aramark also bid for.
- (b) Aside from this, other competitors did not frequently bid against Aramark for contract opportunities. No other competitor competed with Aramark for more than [<] contracts over this period.

122. As presented in Table 5, columns 3 and 4, Aramark won more than half ([<]) of the contracts it bid for. Of those it lost, Entier won [<], ESS won [<], and Francois won [<].

5.3.1.2.2.3 *Bidders and winners against Entier*

123. The CMA also considered the bidders and winners specifically for contracts bid for by Entier (a total of [<] tenders). When analysing bids, the CMA has considered all the contracts that Entier bid for, including those where the winner was not known to the CMA. When considering wins, the CMA has only considered those contracts Entier bid for and for which the winner of the contract is known to the CMA. The results of which are presented in Table 6 below.

Table 6 Competitors for offshore catering services contracts bid for by Entier, 2023-2025

<i>Competitor</i>	<i>Number of contracts bid for (Rank #)</i>	<i>Number of contracts bid for (where the winner is known) (Rank #)</i>	<i>Number of contracts won (Rank #)</i>
Entier	[<]	[<]	[<]
ESS	(#=1)	(#=1)	(#=1)
Sodexo	(#=1)	(#=4)	(#=3)
Aramark	(#=3)	(#=1)	(#=2)
Francois	(#=3)	(#=1)	(#=3)
Albatros	(#=5)	(#=5)	(#=3)
AOS	(#=5)	(#=5)	(#=3)
Conntrak	(#=5)	(#=5)	(#=3)
Foss	(#=5)	(#=5)	(#=3)
OSM Thome	(#=5)	(#=5)	(#=3)
Coor FM	(below #5)	(#=5)	(#=3)
Pellegrini	(below #5)	(#=5)	(#=3)
Total	[<]	[<]	[<]

Source: CMA analysis of Parties' and third-party bidding data

124. As shown in Table 6, column 2, Aramark participated in more than half ([<]) of the tenders that Entier bid for over the period 2023–2025.
125. In relation to other competitors, the analysis indicates that:

- (a) ESS, Sodexo, and Francois all participated in more than half of the tenders that Entier bid for ([X]).
 - (b) Other competitors bid against Entier less frequently. No other competitor (besides Sodexo, ESS, Aramark, and Francois) participated in more than [X] bid for by Entier over this period.
126. As presented in Table 6, columns 3 and 4, Entier won fewer than half ([X] of [X]) contracts it bid for where the winner is known. Of those it lost, ESS won [X] and Aramark won [X] contract.

5.3.1.2.2.4 CMA's conclusion on bidding data

127. As covered above, the CMA notes that the bidding data analysis was based on a small number of contracts and given the limitations of the data, the analysis does not cover the full market and hence cannot be considered in isolation.
128. In terms of overlapping bids, the Parties competed against each other for [X] contract opportunities over this period, with both winning [X] out of these [X] contracts each (with ESS winning the remaining [X]). Although Sodexo, ESS and Francois bid against each of the Parties more frequently than the Parties bid against each other,¹⁵⁶ only the Parties, ESS and Francois won contracts (Foss won [X] that neither of the Parties participated in).
129. In terms of overall tenders won, Aramark was the most successful (won [X] contracts), followed by Entier (won [X] contracts) and ESS (won [X]), followed by Francois (won [X]) and Foss (won [X]). Sodexo was significantly less successful (Sodexo won [X] of the contracts it bid for).
130. Hence, out of the 12 recent contracts for which the CMA was able to identify a winner, around two thirds of these [X] were won by one of the Parties. This proportion of contracts won is similar to the Parties' shares of supply over the period from 2022 to 2024 (that will include revenue from contracts won prior to this 2022 to 2024 period, as well as revenue won from customers who did not organise tenders). This suggests that there has not been any recent significant shift in the strength of the Parties.
131. Furthermore, the Parties and ESS won a greater proportion of the contracts they bid for relative to Francois and Sodexo.¹⁵⁷
132. All other suppliers (including other suppliers currently operating in the non-UK North Sea) bid for only a very small number of contracts. This suggests that the

¹⁵⁶ Although Francois bid equally frequently as Aramark against Entier.

¹⁵⁷ Foss won half the tenders it bid for, although it bid for considerably less tenders than the Parties and ESS.

Parties may face very limited constraints post-Merger and is consistent with the other evidence, such as the Parties' high shares of supply.

133. Overall, the CMA considers that the bidding data suggests close competition between the Parties and ESS.
134. Finally, the CMA notes that the conclusion on bidding analysis summarised above remains the same for non-marine customers (ie when marine customer tenders are excluded from the analysis). However, due to the limited number of marine customer tenders, the CMA is unable to draw any robust conclusions for the marine customer segment.¹⁵⁸

5.3.1.3 *Internal documents*

5.3.1.3.1 *CMA's assessment*

135. At the outset, the CMA notes that the Parties' documents generally refer to the UKCS and discuss competition for offshore catering customers overall (ie with no distinction between customer types). Entier documents almost exclusively refer to and monitor offshore catering in the UKCS.¹⁵⁹ As indicated above, Aramark's internal documents discussing the Merger also refer to Entier's strength in the UKCS specifically.¹⁶⁰
136. The CMA considers that internal documents of both Parties, prepared in the ordinary course of business as well as documents discussing the Merger, indicate that Aramark and Entier provide similar services and compete closely with each other. Specifically:
- (a) Both Parties identify each other as one of their main competitors.¹⁶¹
 - (b) A number of Aramark documents variously state that the Merger "removes a significant competitor in the market, protecting market share and margin", and cements Aramark's "already leading position in the UKCS".¹⁶² The Parties told the CMA that these statements (included in documents prepared

¹⁵⁸ As explained in paragraph 111(b) the CMA notes that there is only a small sample of tenders for marine customers hence the CMA is unable to draw inferences on competition in marine contracts using the bidding data.

¹⁵⁹ See, for example, Entier Internal Document, Annex 185 to the Enquiry Letter Response, "[redacted]", undated, slides 14 and 15. In their Initial Submission, the Parties provided examples of two documents that refer to activities on a broader basis than the UKCS (namely, a list of contracts held and pipeline projects in "EMEA [Europe, Middle East and Africa]", the US, Asia and Australia (Initial Submission, paragraph 5.1).

¹⁶⁰ Aramark Internal Documents, Annex 105 to the Enquiry Letter Response, "[redacted]", June 2024, slides 1 and 3; Annex 107 to the Enquiry Letter Response, "[redacted]", 18 July 2024, slide 2; Annex 117 to the Enquiry Letter Response, "[redacted]", 30 July 2024, page 26; Annex 119 to the Enquiry Letter Response, "[redacted]", 1 June 2021; Annex 120 to the Enquiry Letter Response, "[redacted]", 1 April 2022.

¹⁶¹ Entier Internal Document, Annex 185 to the Enquiry Letter Response, "[redacted]", undated, slide 14; Aramark Internal Document, Annex 130 to the Enquiry Letter Response, "[redacted]", 31 January 2024, slide 8.

¹⁶² Aramark Internal Documents, Annex 105 to the Enquiry Letter Response, "[redacted]", June 2024, slides 1 and 3; Annex 107 to the Enquiry Letter Response, "[redacted]", 18 July 2024, slide 2; Annex 117 to the Enquiry Letter Response, "[redacted]", 30 July 2024, page 26; Annex 119 to the Enquiry Letter Response, "[redacted]", 1 June 2021; Annex 120 to the Enquiry Letter Response, "[redacted]", 1 April 2022.

for, or received by, senior managers between 2022 and 2024) did not reflect Aramark's actual assessment of a possible transaction, but instead reflected senior management staff copying and pasting – for convenience – language from a document originally prepared in 2021 by the [X] of Aramark Limited when Aramark first considered a possible acquisition of Entier. Although included in another document when Aramark reconsidered the acquisition in 2022, Aramark argued that the specific language that the Merger removes a “significant competition in the market” was not included in the documents presented to the board when deciding to proceed with the transaction in 2024, even if such language was in documents reviewed by senior managers, including board members, prior to that decision. The CMA notes, however, that the more explicit statements in the earlier documents are consistent with the statement in the Board document that the Merger would be “both a defensive and offensive play to reinforce our position in the UK Continental Shelf”.¹⁶³ These statements were also shared multiple times with members of senior management over a period of three years without any evidence that Aramark's assessment changed during that time. Further, while Aramark stated during the Issues Meeting that the repeated use of these statements represented simple copying and pasting with the text unchanged, the text was in fact amended in at least one document¹⁶⁴ in ways that conform with the views expressed by those statements. Given that context, the CMA considers that these documents, taken together with the material presented to the Board, are evidence that Aramark considered the transaction to be, at least in part, a defensive “play” that would remove a material competitor in the market.

- (c) An Aramark deal memo for [X] (a customer of Entier) from [X] 2023 discusses Aramark's bid for the [X] contract. This document states that Entier as the incumbent might be pushing for a significant price increase. Aramark [X] believes it should bid for the contract to protect its relationship with [X] and to “keep incumbent Entier competitive”.¹⁶⁵
- (d) An Entier Business Plan for financial years 2024 to 2028 (as described in paragraph 71(c) above), discusses Entier's long term business plans from 2024 to 2028. As an assessment of its current position, this document states that Entier has retained its position as the “number one caterer in the UK North Sea”. Similarly, when analysing competitors and market shares, this document states that Aramark is one of Entier's main competitors in the offshore market.¹⁶⁶

¹⁶³ Aramark Internal Document, Annex 117 to the Enquiry Letter Response, “[X]”, 30 July 2024, page 26.

¹⁶⁴ Aramark Internal Document, Annex 107 to the Enquiry Letter Response, “[X]”, 18 July 2024, slide 2.

¹⁶⁵ Aramark Internal Document, Annex 165 to the Enquiry Letter Response, “[X]”, March 2023.

¹⁶⁶ Entier Internal Document, Annex 185 to the Enquiry letter, “[X]”, undated, see slides 14 and 23.

137. The CMA also considers that the internal documents of both Parties indicate that they face competition from only a few alternatives in the supply of offshore catering services and, with the exception of ESS, the internal documents indicate these alternatives impose a limited constraint on the Parties.¹⁶⁷ For example:
- (a) Aramark's internal deal memos consistently monitor only ESS, Entier and Sodexo.
 - (i) In the case of Sodexo, the memos refer to it as a "[X]" that "[X]", noting variously that Sodexo has a declining offshore business in the UK, has lost several clients, and failed to win any new opportunities in the UK since 2019.¹⁶⁸ These documents indicate that Sodexo is not a strong competitor in the market for the supply of offshore catering services in the UKCS.¹⁶⁹ Another Aramark internal document describes Sodexo as having moved from market leading "[X]".¹⁷⁰
 - (ii) In the case of ESS, the memos frequently refer to its success in winning business, but also identify as a weakness the fact that it is therefore "busy", with wins that will "stretch" or "place strain on the business".¹⁷¹
 - (b) An Entier document states that Entier's key competitors in the offshore market are Aramark, ESS and Sodexo.¹⁷² This document states that other competitors are Foss, Conntrak, Francois, IFS, Connect and Atlas. However, this document does not recognise these rivals as key competitors. Additionally, as covered in Section 5.3.1.1 (Shares of Supply) this document indicates that only Aramark, Entier, ESS and Sodexo have had a material share of supply in offshore catering services from 2008 to 2023. Although included in the Parties' internal estimates of market shares,¹⁷³ neither of the Parties internal documents reviewed by the CMA otherwise mention Ligabue or Pellegrini, nor is there any evidence of the Parties monitoring COOR, Foss, Oceanwide, Trinity or Conntrak in any meaningful way.
 - (i) Entier identifies Conntrak, Francois, IFS, and Foss as "other" (rather than "principal") competitors and does not mention COOR or Oceanwide at all.¹⁷⁴

¹⁶⁷ The CMA assesses that this is true for both marine and non-marine customers.

¹⁶⁸ Aramark Internal Documents, Annex 164 to the Enquiry Letter Response, "[X]", page 4; Annex 166 to the Enquiry Letter Response, "[X]", undated, page 4; Annex 163 to the Enquiry Letter Response, "[X]", undated, page 4; Annex 169 to the Enquiry Letter Response, "[X]", undated, page 4.

¹⁶⁹ Aramark Internal Document, Annex 164 to the Enquiry Letter, "[X]", 2023, page 3.

¹⁷⁰ Aramark Internal Document, Annex 130 to the Enquiry Letter Response, "[X]", 31 January 2024, slide 8.

¹⁷¹ Aramark Internal Documents, Annex 164 to the Enquiry Letter Response, "[X]", page 3; Annex 169 to the Enquiry Letter Response, "[X]", undated, page 4; Annex 166 to the Enquiry Letter Response, "[X]", undated, page 4.

¹⁷² Entier Internal Document, Annex 185 to the Enquiry letter, "[X]", see slide 14.

¹⁷³ For share of supply data by revenue, Aramark, for example, keeps an updated document based on information it receives from clients, tender information and other market knowledge gathered for reach jurisdiction (the "[X]") (Parties' response to Section 109(3), paragraph 6.1).

¹⁷⁴ Entier Internal Document, Annex 185 to the Enquiry Letter Response, "[X]", undated, slide 14.

- (ii) Aramark identifies Francois as an “outside chance” with no offshore platform experience in the context of a single tender¹⁷⁵ and, in another document, as part of the relevant competitor set in the UKCS.¹⁷⁶ The same document identifies both Foss and Conntrak as part of the relevant competitor set in the UKCS,¹⁷⁷ but neither of these are otherwise monitored.
 - (c) Aramark internal documents identify Trinity as a competitor only in relation to the US Gulf of Mexico.¹⁷⁸
 - (d) Furthermore, other internal documents analysed in the Shares of Supply section indicate that the only current competitor to the Parties is ESS. These documents indicate that Sodexo has lost a significant proportion of its market share since 2018 and that other competitors, including Sodexo, have a very low share of supply (less than 2% respectively).
138. In relation to competitive constraints in the marine segment specifically, the CMA notes that the Parties identified IFS, Sodexo and Francois as competitors in the UKCS.¹⁷⁹ However, as explained below, the Parties’ internal documents do not suggest that these competitors exert strong constraints in the marine segment (or any other segment):
- (a) One Aramark acquisition proposal document identifies “IFS (Belgium)” as a main competitor in marine, alongside Sodexo.¹⁸⁰ However, another Aramark internal document suggests that IFS has an overall share of 2% of the offshore catering market in the UKCS and in the North Sea.¹⁸¹
 - (b) Entier internal documents do not identify competitors specifically in relation to marine contracts. A business plan for financial years 2024—2028, however identifies its “main competitors” offshore as Aramark, ESS and Sodexo, and notes that “[o]ther competitors are Foss & Esk, Conntrak, Francois, IFS, Connect, Atlas”.¹⁸² An Entier internal estimate of UKCS shares of supply (dated February 2023) identifies IFS as having a total market share of 6%.¹⁸³
139. In addition, the Parties’ internal documents estimate that the amount of self-supply in the UKCS is low. An Aramark strategy slide deck, dated January 2024, states

¹⁷⁵ Aramark Internal Document, Annex 164 to the Enquiry Letter Response, “[redacted]”, page 5.

¹⁷⁶ Entier Internal Document, Annex 185 to the Enquiry Letter Response, “[redacted]”, undated, slide 14.

¹⁷⁷ Aramark Internal Document, Annex 129 to the Enquiry Letter Response, “[redacted]”, slide 11.

¹⁷⁸ Aramark Internal Documents, Annex 129 to the Enquiry Letter Response, “[redacted]”, slide 11; Annex 130 to the Enquiry Letter Response, “[redacted]”, 31 January 2024, slide 10.

¹⁷⁹ Issues Letter Response, paragraph 6.8.

¹⁸⁰ Aramark Internal Document, Annex 119 to the Enquiry Letter Response, “[redacted]”, 1 June 2021, slide 5.

¹⁸¹ Aramark Internal Document, Annex 121 to the Enquiry Letter Response, “[redacted]”.

¹⁸² Entier Internal Document, Annex 185 to the Enquiry Letter Response, “[redacted]”, undated, slide 14.

¹⁸³ Entier Internal Documents, Annex 185 to the Enquiry Letter Response, “[redacted]”, undated, slide 15; Annex 202 to the Enquiry Letter Response, “[redacted]”, page 14.

that self-supply accounts for 2% of the market.¹⁸⁴ Some Entier internal documents which include market shares estimate that self-supply accounts for 5.54% of the market.¹⁸⁵ Accordingly, the Parties' documents suggest that self-supply exerts only a very limited constraint on them.

5.3.1.4 *Third-party evidence*

5.3.1.4.1 *Customers*

140. The CMA asked customers to identify supplier(s) they would consider, or have recently considered,¹⁸⁶ when procuring offshore catering services in the UKCS. For each supplier, customers were asked to indicate on a scale of 1 to 5 how suitable they considered the supplier to be for their requirements. When analysing responses from customers, the CMA has classified a supplier as suitable where it received a score of 4 or 5 from a customer.
141. More than two thirds of customers said that they would consider Aramark when procuring offshore catering services, with a large majority of them identifying Aramark as a suitable supplier. Similarly, a large majority of customers also said they would consider Entier when procuring offshore catering services, of these customers around two thirds considered Entier to be a suitable supplier.
142. More than two thirds of customers said that they would consider ESS when procuring offshore catering services, and a large majority of customers said that they would consider Sodexo when procuring offshore catering services. Around two thirds of the customers that said they would consider ESS and Sodexo also rated them as suitable suppliers.¹⁸⁷
143. Fewer than half of customers stated that they would consider Francois and Conntrak Catering, with a very small minority considering Francois as suitable, while no respondent considered Conntrak to be a suitable supplier.¹⁸⁸ Furthermore less than one third of the respondents said they would consider Foss, Northern Marine and CCS with just a very small minority considering each of them as suitable respectively.¹⁸⁹ A very small minority said they would consider OSM Thome, but did not view this supplier as suitable.¹⁹⁰

¹⁸⁴ Aramark Internal Document, Annex 130 to the Enquiry Letter Response, "[3<]", 31 January 2025, slide 8.

¹⁸⁵ Entier Internal Documents, Annex 189 to the Enquiry Letter Response, "[3<]", July 2023, slide 5; Annex 185 to the Enquiry Letter Response, "[3<]", slide 15.

¹⁸⁶ For customers which had tendered in the last two years, we asked for them to reflect on their last tender opportunity; for customers which had not tendered within the last two years, we asked them to consider suppliers on a forward looking basis.

¹⁸⁷ Response to the CMA questionnaire from a number of third parties, May 2025, questions 4 and 5.

¹⁸⁸ Response to the CMA questionnaire from a number of third parties, May 2025, questions 4 and 5.

¹⁸⁹ Response to the CMA questionnaire from a number of third parties, May 2025, questions 4 and 5.

¹⁹⁰ Response to the CMA questionnaire from a number of third parties, May 2025, questions 4 and 5.

144. Customers identified a number of factors as important when choosing an offshore catering supplier. Two thirds of customers identified price or cost-effectiveness as an important factor.¹⁹¹ Over half of customers also identified experience as an important factor when choosing a supplier,¹⁹² with more than two thirds of customers indicating that they would not consider procuring offshore catering services in the UKCS from a supplier that did not have experience providing these services.¹⁹³ Other factors frequently identified related to the quality of services¹⁹⁴ and compliance with health and safety standards.¹⁹⁵
145. The CMA also collected evidence from the Parties' customers to understand if these customers would consider moving to self-supply if the price offerings of all suppliers in the market increased by 5–10% or service quality was degraded.¹⁹⁶ All of the customers that responded to the CMA's questionnaires, including marine customers, stated that they would not self-supply in response to a 5–10% price increase or a degraded service quality. Specifically, around half of customers indicated that catering was not the company's core business and therefore they would not be able to provide these services in-house. Other customers indicated that the supply of offshore catering services was a specialised area and that they did not have the subject matter expertise in-house,¹⁹⁷ or that they required the expertise of offshore catering companies.¹⁹⁸
146. The CMA notes that it received a small number of marine customer responses. Given the small sample size, the CMA only considered these marine customer responses in aggregate across all marine and non-marine customer responses (and did not consider them separately for marine customers only).
147. The customer responses, taken in the round, indicate that customers consider that there are a small number of suitable suppliers of offshore catering services in the UKCS. The CMA notes, however, that a majority of customers did not express concerns in relation to the merger. However, two customers told the CMA that the Merger would have a negative impact on competition, with one identifying it would give the Merged Entity a large share of supply.¹⁹⁹

¹⁹¹ Response to the CMA's questionnaire from a number of third parties, May 2025, question 7.

¹⁹² Response to the CMA's questionnaire from a number of third parties, May 2025, question 7.

¹⁹³ Response to the CMA's questionnaire from a number of third parties, May 2025, question 8.

¹⁹⁴ Response to the CMA's questionnaire from a number of third parties, May 2025, question 7.

¹⁹⁵ Response to the CMA's questionnaire from a number of third parties, May 2025, question 7.

¹⁹⁶ The CMA's current view is that the Parties would be constrained by self-supply only if their current customers or other customers that currently outsource catering services would consider moving these services in-house. The CMA therefore considers the views of these customers most relevant, as opposed to views of marine vessel operators which do not procure catering services.

¹⁹⁷ Response to the CMA's questionnaire from a number of third parties, May 2025.

¹⁹⁸ Response to the CMA's questionnaire from a number of third parties, May 2025.

¹⁹⁹ Response to the CMA's questionnaire from a number of third parties, May 2025.

5.3.1.4.2 Competitors

148. More than two thirds of competitors that responded to the CMA's questionnaires stated that the Parties compete closely with each other in the supply of offshore catering services in the UKCS.²⁰⁰ For example, one competitor said that the Parties are two of the three dominant suppliers of offshore catering services in the UKCS.²⁰¹
149. The CMA asked suppliers of offshore catering to list their competitors, and rate them on a scale of 1 to 5, with one being a very weak competitor and 5 being a very strong competitor.
150. The responses indicate that the strongest competitors in the market are Aramark, Entier and ESS. All competitors identified both Aramark and Entier,²⁰² with a large majority of competitors considering Aramark and Entier to be very strong or strong competitor.²⁰³ ESS was identified by a large majority of competitors,²⁰⁴ with most of those which did so considering it to be a very strong competitor.²⁰⁵
151. Sodexo was also identified by a large majority of respondents, who had mixed views over the strength of the constraint Sodexo imposed, with a majority of respondents considering Sodexo to be a weak or very weak competitor.²⁰⁶ Conntrak was identified by half of respondents; however, most of these respondents considered it to be only a moderately strong competitor.²⁰⁷
152. Around half of competitors identified Foss, Francois, and Trinity.²⁰⁸ Half of the competitors who identified Foss and all of the competitors who identified Francois considered it to be a weak competitor; all respondents who identified Trinity considered it to be a weak or very weak competitor.²⁰⁹
153. All the other listed competitors such as IFS, Ligabue, Pelligrini, and Celera were infrequently identified and when identified all competitors regarded them as being a weak to very weak competitor.²¹⁰
154. The CMA also asked competitors to explain whether there were any barriers facing entrants and small suppliers of offshore catering to winning business in the

²⁰⁰ Response to the CMA's questionnaire from a number of third parties, May 2025.

²⁰¹ Response to the CMA's questionnaire from a third party, May 2025.

²⁰² Response to the CMA's questionnaire from a number of third parties, May 2025.

²⁰³ Response to the CMA's questionnaire from a number of third parties, May 2025.

²⁰⁴ Response to the CMA's questionnaire from a number of third parties, May 2025.

²⁰⁵ Response to the CMA's questionnaire from a number of third parties, May 2025.

²⁰⁶ Response to the CMA's questionnaire from a number of third parties, May 2025.

²⁰⁷ Response to the CMA's questionnaire from a number of third parties, May 2025.

²⁰⁸ Response to the CMA's questionnaire from a number of third parties, May 2025.

²⁰⁹ Response to the CMA's questionnaire from a number of third parties, May 2025.

²¹⁰ Response to the CMA's questionnaire from a number of third parties, May 2025.

UKCS. A majority of competitors indicated that there were barriers facing entrants and small suppliers from winning business in the UKCS.²¹¹

155. In terms of the barriers facing new entrants:

- (a) One competitor was of the view that these barriers include cash flow management, proven track record, size of the team in Aberdeen, HSEQ and financial performance in the UKCS.²¹²
- (b) Another competitor said that one of the key barriers for new entrants and small suppliers may be requirements to be a member of COTA alongside demonstratable experience of working in the UKCS.²¹³
- (c) Another identified labour regulations and associated costs as a barrier for new entrants and smaller suppliers.²¹⁴

156. In addition to the above, the CMA asked competitors whether scale played any role in providing offshore catering services in the UKCS. A large majority of competitors that responded to this question stated that scale was an important factor.²¹⁵

157. As noted above at paragraph 85, the Parties submitted that scale does not provide cost advantages for offshore catering providers. Competitors, however, submitted that large suppliers have cost advantages that make their bids more cost-effective. Specifically:

- (a) Two competitors said that scale was important to get good commercial deals from the suppliers of raw materials.²¹⁶ One competitor emphasised that price efficiencies and advantages are driven by volume.²¹⁷
- (b) One competitor said that scale was needed to create a pool of labour that can be used to cover sickness and absences.²¹⁸
- (c) One competitor told the CMA that scale enables suppliers to bring down administrative costs, and get better deals from suppliers.²¹⁹
- (d) Lastly, one competitor told the CMA that scale was needed to ensure that bids were cost-effective, however, in order to achieve this scale, it was first important to have multiple contracts over which costs could be spread. This

²¹¹ Response to the CMA's questionnaire from a number of third parties, May 2025.

²¹² Response to the CMA's questionnaire from a third party, May 2025.

²¹³ Response to the CMA's questionnaire from a third party, May 2025.

²¹⁴ Response to the CMA's questionnaire from a third party, May 2025.

²¹⁵ Response to the CMA's questionnaire from a number of third parties, May 2025.

²¹⁶ Response to the CMA's questionnaire from a number of third parties, May 2025.

²¹⁷ Note of a call with a third party, April 2025, paragraph 5.

²¹⁸ Response to the CMA's questionnaire from a number of third parties, May 2025.

²¹⁹ Response to the CMA's questionnaire from a third party, May 2025; Response to the CMA's request for information, May 2025.

creates a distinct circularity problem for competitors who do not already have material business in the UKCS.²²⁰

158. The CMA also asked competitors if they had any entry or expansion plans for their offshore catering business in the UKCS. A majority of competitors that responded to this question said that they intended to expand in the UKCS.²²¹ However, none identified any concrete next steps to developing their business offerings. The only plans included:

- (a) One competitor planning to bid for a small number of potential future contracts in the UKCS;²²² and
- (b) Another competitor noting that it had relationships with some customers outside of the UKCS [X].

159. Given its historic position as a larger supplier in the UKCS, and its continued presence in the wider North Sea, the CMA also sought to understand the extent to which Sodexo would impose a constraint on the Merged Entity in the future. The CMA considers that it is currently uncertain whether Sodexo will exert a strong constraint on the Parties in future. In particular:

- (a) [X].
- (b) [X].
- (c) [X].

160. A majority of competitors did not express concerns regarding the Merger. However, one competitor told the CMA that the Merger would have a negative impact on competition. This competitor specifically stated that the Merger would reduce competition and that the Merged Entity would have a share of supply c.65%.²²³

5.3.1.1 *Market developments*

5.3.1.2 *Parties' submissions*

161. As set out at paragraph 29 above, the Parties submitted that the Merger should be assessed in the context of the decline of the O&G segment and estimated that

²²⁰ Note of a call with a third party, June 2025.

²²¹ Response to the CMA's questionnaire from a number of third parties, May 2025.

²²² Response to the CMA's questionnaire from a third party, May 2025.

²²³ Response to the CMA's questionnaire from a third party, May 2025.

over half of O&G wells in the UKCS will be decommissioned between by 2033.²²⁴ The Parties submitted that this has two major impacts:

- (a) reduced incentive to bid for O&G contracts, as suppliers must also assume the redundancy costs associated with decommissioning assets; and
- (b) increased importance of other customer types, such as the marine customers, due to O&G decommissioning.²²⁵

5.3.1.3 CMA's assessment

162. The Parties' submissions around the increasing importance of marine customers and decreasing importance of O&G customers would not necessarily lead to a change in the Parties' or their competitors' competitive positions within each segment.
163. There is no evidence to suggest that the anticipated decline of the O&G sector would mean that the Parties will not continue to be close competitors in the coming years or that they will face stronger competitive constraints from other suppliers. In particular, the CMA has seen no evidence to suggest that the Parties will cease bidding for O&G contracts. In addition, a reduced incentive for suppliers to bid for O&G contracts, as argued by the Parties, may mean that customers face fewer outside options than they do at present and risk reducing any incentives for entry.
164. As for the marine segment, whilst it may over time become more attractive for suppliers currently active in the O&G segment who may shift their focus to the marine segment, relatively few alternatives exist in the O&G segment at present. This suggests that marine customers will likely continue to have access to a relatively small group of suppliers.
165. While Aramark has submitted that it does not currently [X]²²⁶ [X], internal document evidence shows that, prior to the Merger, Aramark had identified expansion in the marine segment as a way to accelerate its growth, particularly due to the growth in renewables and decommissioning.²²⁷ While Aramark's activities in marine are currently more limited, it is currently active in this segment. The Parties suggested that the marine segment may become more attractive for suppliers currently active in the O&G segment resulting in some suppliers shifting their focus to the marine segment. If such a shift does occur, the current evidence does not provide a basis to conclude that Aramark would not be among the

²²⁴ Initial Submission, paragraph 4.19, citing [Over half of oil and gas fields in UK North Sea to cease production by 2030 | Upstream](#).

²²⁵ Issues Letter Response, paragraph 2.7.

²²⁶ Issues Letter Response, paragraphs 3.4 and 4.1

²²⁷ See, for example, Aramark Internal Document, Annex 129 to the Enquiry Letter Response, "[X]", 15 July 2023, slide 13

suppliers to shift focus to marine, or that it would not be at least as well placed as other suppliers in the O&G segment to compete for those contracts.

166. Accordingly, the CMA considers that there is no evidence to suggest that the competitive constraints provided by different suppliers would be expected to change materially even if the marine segment becomes relatively more important over time. The CMA notes also that the Parties' own projections suggest this shift will be gradual with competition in other parts of the offshore catering market remaining relevant for many years. The CMA considers that the market is likely to remain concentrated in the future.²²⁸

5.3.1.4 *Conclusion on theory of harm*

167. The evidence above indicates that the Parties compete closely in the supply of outsourced offshore catering services in the UKCS. In particular, shares of supply estimates indicate that the Parties are two of the three largest suppliers of offshore catering services in the UKCS, and the Merged Entity would have a share of supply around 60%. Although the tender data suggests that ESS, Sodexo and Francois bid against the Parties more frequently than they bid against each other, the Parties do bid against each in a material proportion of contracts, and they are the only suppliers, in addition to ESS, that win any significant number of contracts. Internal documents of both Parties indicate that Aramark and Entier compete closely against each other, including documents that set out Aramark's rationale for the Merger.
168. In terms of the constraints on the Merged Entity, the CMA considers that they would be insufficient. This is for the following reasons:
- (a) Apart from the Parties, ESS is the only other competitor that has a material share of supply, wins a significant number of tenders, is considered strong by customers and competitors, and is identified as a key competitor in the Parties' internal documents. If the Merger were to proceed, the market would become even more concentrated with the Merged Entity and ESS accounting for around [90-100]% of the market for the supply of offshore catering services in the UKCS.
 - (b) The tender data indicates that the only other frequent bidders are Sodexo and Francois. However, they have both been less successful than the Parties in winning bids in recent years. Of these, only Sodexo is considered to be a suitable supplier by customers. The Parties' internal documents generally monitor Sodexo. However, these documents acknowledge that Sodexo's

²²⁸ The appropriate time horizon for the CMA's competitive assessment is typically two to three years; see [CMA129](#), paragraph 3.15.

share has consistently fallen in the UKCS and suggest that it is not considered a strong competitor in the UKCS.

- (c) Other suppliers (including suppliers that currently operate in other parts of North Sea) bid for very few contracts in the UKCS, do not appear to be considered key constraints in the Parties' documents and were not considered suitable suppliers by most customers and competitors.
- (d) No customers that responded to the CMA's questionnaires told the CMA that they would consider switching to self-supply.²²⁹ Even if self-supply were a stronger alternative for some marine customers than the evidence seen by the CMA suggests, this would not impose any constraint when negotiating to supply O&G, MODU and accommodation barge customers.
- (e) Lastly, evidence suggests that there are significant barriers to entry and expansion in the supply of offshore catering services in the UKCS. In particular, given the benefits of scale in driving down cost and therefore the ability to price attractively, the CMA considers it would be difficult for any currently small supplier or new entrant to consistently win contracts in the UKCS.

169. Accordingly, the CMA has found that the Merger gives rise to a realistic prospect of an SLC as a result of horizontal unilateral effects in the supply of outsourced offshore catering services in the UKCS.

6. COUNTERVAILING FACTORS

6.1 Entry and expansion

6.1.1 Parties' submissions

170. The Parties submitted that there are low barriers to entry and expansion in relation to the supply of offshore catering services in the UKCS. Specifically, the Parties submitted that the key inputs needed to effectively supply offshore catering services have fixed costs and are accessible to all market participants and new entrants.²³⁰ They submitted that the resulting low barriers to entry and expansion are demonstrated by a variety of market participants, including Entier itself and, more recently, Conntrak and Pellegrini.²³¹
171. Furthermore, the Parties submitted that – unlike recent cases pertaining to the UKCS previously considered by the CMA – there is clear and consistent evidence

²²⁹ As set out in paragraph 40.

²³⁰ Issues Letter Response, paragraph 7.12.

²³¹ Initial Submission, paragraph 1.5.

of customer switching in this sector, supporting the view that the relevant market is contestable and responsive to competition. Typical barriers that might limit competitive constraints, such as the unsuitability of alternative offerings due to product limitations, high capital cost requirements or other structural impediments are not present in this case, and customers in this sector have the right in their contracts to terminate for convenience at any point.

172. Additionally, the Parties submitted that it is relatively easy for customers who are large and sophisticated entities to sponsor entry. For example:
- (a) Entier's first customer made upfront payments, which allowed Entier to have sufficient cash flow during its initial days.²³²
 - (b) Coor was sponsored by Equinor to provide operations in the Norwegian segment of the North Sea for a significant contract (c. GBP 19 million).²³³
 - (c) Aramark was encouraged by customers such as [X] and [X] to follow them into the Middle East market in 2008.²³⁴
173. The Parties also submitted that the notion of a "new entrant" was misleading: offshore catering is a relatively small, relationship-driven market where the contract managers develop credibility and relationships over time.²³⁵ Even a newly established company can be known to customers because of existing contracts in other regions, or by being staffed by individuals who have established trustworthy industry relationships. In the Parties' view, customers are willing to sponsor such entrants on this basis.²³⁶

6.1.2 CMA's assessment

174. Entry, or expansion of existing firms, can mitigate the initial effect of a merger on competition, and in some cases may mean that there is no SLC. The CMA will consider entry and/or expansion plans of rivals who do so in direct response to the merger as a countervailing measure that could prevent an SLC. Entry or expansion plans of rivals that occurs irrespective of whether the merger proceeds may be considered in the competitive assessment when appropriate.²³⁷ In assessing whether entry or expansion might prevent an SLC, the CMA considers whether such entry or expansion would be timely, likely and sufficient.²³⁸

²³²Issues Letter Response, paragraph 7.16.

²³³Issues Letter Response, paragraph 7.16.

²³⁴Issues Letter Response, paragraph 7.16.

²³⁵ The Parties gave Entier and Conntrak as examples of individuals success in leveraging professional relationships to win contracts (Issues Letter Response, paragraph 7.18).

²³⁶ Issues Letter Response, paragraphs 7.18 and 7.19.

²³⁷ [CMA129](#), paragraph 8.28.

²³⁸ [CMA129](#), from paragraph 8.40.

175. The CMA did not receive any evidence on entry or expansion in direct response to the Merger. In relation to other entry or expansion, evidence from competitors indicates that there are significant barriers to expansion, in particular, scale is needed to compete effectively in the UKCS (see from paragraph 144 above). The CMA has received no evidence that indicates that any attempted entry has been successful in winning material business in the UKCS with the last entrant to have gained material share in the UKCS market being Entier in 2008.
176. In relation to sponsored entry by customers, one customer told the CMA that they would consider procuring from an experienced management team they have worked with outside the UKCS, such as Conntrak.²³⁹ However, the majority of customers told the CMA that they would not consider an entrant when choosing their offshore catering supplier, as described in paragraph 144 above. This is in line with customer evidence which identifies a supplier's experience, reputation or track record as being important.²⁴⁰ The CMA also notes that, whilst the Parties gave Conntrak as an example of successful entry in 2018, it does not have any current business in the UKCS.
177. One competitor told the CMA that, having been sponsored to enter in Norway, COOR struggled to expand its business to other clients.²⁴¹ This suggests that sponsored entry (even if timely and likely) may not be sufficient as it would only protect particular customers and is unlikely to prevent the Merged Entity from raising prices or worsening quality of service for other customers.²⁴²
178. For the reasons set out above the CMA considers that entry or expansion would not be timely, likely or sufficient to prevent a realistic prospect of an SLC as a result of the Merger.

6.2 Buyer Power

6.2.1 Parties' submissions

179. The Parties submitted that customers are large, sophisticated multinationals that have procurement teams who specialise in offshore direct and indirect procurement and review of numerous contracts across catering, engineering, waste management, travel etc. ²⁴³
180. The Parties submitted that "open book" tenders run by sophisticated multinational operators with buyer power result in low margins being earned by market

²³⁹ Response to the CMA's questionnaire from a third party, May 2025.

²⁴⁰ Response to the CMA's questionnaire from a number of third parties, May 2025.

²⁴¹ Response to the CMA's questionnaire from a third party, May 2025.

²⁴² [CMA129](#), paragraph 8.45.

²⁴³ Initial Submission, paragraph 4.8

participants.²⁴⁴ The Parties submitted that they have particularly low average margins for O&G and MODU customers.²⁴⁵

6.2.2 CMA's assessment

181. Buyer power based on a customer's size, sophistication, or ability to switch easily is unlikely to prevent an SLC that would otherwise arise from the elimination of competition between the Parties. This is because a customer's buyer power depends on the availability of good alternatives they can switch to.²⁴⁶
182. While the CMA recognises that low margins may be consistent with customers having stronger outside options, margins can be driven by a range of factors, and in any event are not probative as to the potential competitive effects of the Merger. This is mainly because the existence of lower margins does not indicate how these margins may change in the event that customers lose an outside option to turn to.
183. For the reasons set out above, the CMA currently considers that customers procuring offshore catering services would have a limited set of alternative suppliers to choose from when procuring these services. In addition, customers who currently procure offshore catering services would not consider switching to self-supply, as described in paragraph 55. Further, as set out above, the evidence available to the CMA does not support sponsored entry by customers.

6.3 Conclusion on countervailing factors

184. For the reasons described above, the CMA does not consider that countervailing factors are sufficient to mitigate the adverse effects of the Merger on competition in relation to the supply of outsourced offshore catering services to in the UKCS.

7. CONCLUSION ON SUBSTANTIAL LESSENING OF COMPETITION

185. Based on the evidence set out above, the CMA believes that it is or may be the case that the Merger has resulted, or may be expected to result, in an SLC as a result of horizontal unilateral effects in relation to the supply of outsourced offshore catering in the UKCS.

²⁴⁴ Initial Submission, paragraph 1.5(c); Issues Letter Response, paragraph 2.2.

²⁴⁵ The Parties note higher margins for marine customers (due to the logistical complexity of marine vessels changing location over time which impacts supply and inventory management) and accommodation barges (due to the infrequent and inconsistent nature of their operation and the significant economies of scale when managing a large POB site) (Initial Submission, paragraphs 4.4–4.6).

²⁴⁶ [CMA129](#), paragraph 4.20.

DECISION

186. Consequently, the CMA believes that it is or may be the case that (i) a relevant merger situation has been created; and (iii) the creation of that situation has resulted, or may be expected to result, in an SLC within a market or markets in the United Kingdom.
187. The CMA therefore believes that it is under a duty to refer under section 22(1) of the Act. However, the duty to refer is not exercised whilst the CMA is considering whether to accept undertakings under section 73 of the Act instead of making such a reference.²⁴⁷ Aramark has until 29 July 2025²⁴⁸ to offer an undertaking to the CMA.²⁴⁹ The CMA will refer the Merger for a phase 2 investigation²⁵⁰ if Aramark does not offer an undertaking by this date; if Aramark indicates before this date that it does not wish to offer an undertaking; or if the CMA decides²⁵¹ by 6 August 2025 that there are no reasonable grounds for believing that it might accept the undertaking offered by Aramark, or a modified version of it.
188. The statutory four-month period mentioned in section 24 of the Act in which the CMA must reach a decision on reference in this case expires on 23 July 2025. For the avoidance of doubt, the CMA hereby gives Aramark notice pursuant to section 25(4) of the Act that it is extending the four-month period mentioned in section 24 of the Act. This extension comes into force on the date of receipt of this notice by Aramark and will end with the earliest of the following events: the giving of the undertakings concerned; the expiry of the period of 10 working days beginning with the first day after the receipt by the CMA of a notice from Aramark stating that it does not intend to give the undertakings; or the cancellation by the CMA of the extension.

Sorcha O’Carroll
Senior Director, Mergers
Competition and Markets Authority
22 July 2025

²⁴⁷ Section [22\(3\)\(b\)](#) of the Act.

²⁴⁸ Section [73A\(1\)](#) of the Act.

²⁴⁹ Section [73\(2\)](#) of the Act.

²⁵⁰ Sections [22\(1\)](#) and [34ZA\(2\)](#) of the Act.

²⁵¹ Section [73A\(2\)](#) of the Act.