Accent Holdings, L.P. / DR Baling Wire Holdings Limited

Decision on relevant merger situation and substantial lessening of competition

ME/2259/25

The Competition and Market Authority (**CMA**)'s decision on reference under section 33 of the Enterprise Act 2002 (the **Act**) given on 21 October 2025. Full text of the decision published on 30 October 2025.

PLEASE NOTE THAT [✂] INDICATES FIGURES OR TEXT WHICH HAVE BEEN DELETED FOR REASONS OF COMMERCIAL CONFIDENTIALITY. IN ADDITION, SOME FIGURES MAY HAVE BEEN REPLACED BY RANGES AT THE REQUEST OF THIRD PARTIES FOR REASONS OF COMMERCIAL CONFIDENTIALITY.

1. THE PARTIES AND THE TRANSACTION

1. On 30 May 2025, Accent Holdings, L.P. (**Accent**) agreed to acquire DR Baling Wire Holdings Limited (**DR Baling**) via its subsidiary, Accent Wire Limited (the **Merger**).[1]

2. Accent and DR Baling overlap in the supply of baling wire – that is, wire used to bind, package, and compress large bundles of material, typically in the waste management and recycling industries, among others – in the UK.[2] Baling wire is typically manufactured using steel drawn wire but may also be manufactured using plastic wire.[3]

3. The Parties submitted that the strategic rationale for the Merger is to combine DR Baling's local UK manufacturing capabilities, including DR Baling's innovative plastic wire product, PlasLOC+, with Accent's global distribution network and market experience.[4]

[1] Accent and DR Baling are together referred to as the **Parties** and, for statements relating to the future, the **Merged Entity**.
[2] Final Merger Notice submitted to the CMA on 12 September 2025 (**FMN**), paragraphs 7 and 8.
[3] FMN, paragraphs 69 and 81. The Parties both supply steel baling wire in the UK. DR Baling also sells plastic baling wire in the UK but Accent does not. FMN, paragraphs 7–8, 79–80, 83–84 and 112, footnote 35.
[4] FMN, paragraphs 37–39.

2. PROCEDURE

4. The Competition and Markets Authority (**CMA**) commenced its phase 1 investigation on 16 September 2025 following voluntary notification by the Parties. As part of its phase 1 investigation, the CMA has considered whether the Merger might be a candidate for the application of the 'de minimis' exception.[5] For the purposes of its assessment, the CMA has gathered and tested a range of evidence from the Parties and third parties, in particular in relation to product market definition and UK market size.

3. JURISDICTION

5. The CMA believes that it is or may be the case that arrangements are in progress or in contemplation which, if carried into effect, will result in the creation of a relevant merger situation. Each of Accent and DR Baling is an enterprise; these enterprises will cease to be distinct as a result of the Merger. The share of supply test is met.[6]

4. MARKET DEFINITION

6. The focus of the CMA's investigation relates to the supply of baling wire in the UK.

7. The Parties submitted that the appropriate product market is the supply of baling wire, including different types of steel baling wire (formers, rewound coils, cut & loop, and quick link) and plastic wire.[7] The evidence received by the CMA indicates that the supply of steel and plastic baling wire are likely to constitute separate product markets.[8,9]

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[5] As described in paragraph 10 below.
[6] See the Enterprise Act 2002 s23. Post Merger, the Merged Entity would supply more than 25% of steel baling wire in the UK, with an increment to its share of supply resulting from the Merger, and at least one of the Parties has turnover in the UK exceeding £10 million.
[7] FMN, paragraph 97; Annex 24 FMN, paragraph 2.4; Parties' submission to the CMA, 10 October 2025.
[8] Evidence from third parties indicates that there are currently significant barriers to switching from steel to plastic wire for customers, such that plastic wire and steel wire are unlikely to be demand-side substitutes, at least in the short-to-medium term. (Note of a call with a third party, August 2025, paragraph 31; Note of a call with a third party, August 2025, paragraphs 21 and 22; Note of a call with a third party, August 2025, paragraphs 24 and 25; Response to the CMA questionnaire from a number of third parties, September and October 2025, question 7.) Third-party evidence also indicates that the cumulative conditions that the CMA considers when assessing whether to aggregate markets on the basis of supply-side factors are not met (CMA's Merger Assessment Guidelines (CMA129), March 2021, paragraph 9.8). The majority of steel baling wire suppliers that responded to the CMA's investigation did not supply plastic wire. (Response to the CMA questionnaire from a number of third parties, September 2025, questions 1 and 7 or 3 and 5).
[9] The evidence in relation to whether the steel baling wire market should be further segmented by type (eg between formers, rewound coils, cut & loop, and quick link) is mixed. Evidence from some customers indicates that different types are unlikely to be demand-side substitutes. (Note of a call with a third party, August 2025, paragraphs 21 and 23; Note of a call with a third party, August 2025, paragraph 5; Response to the CMA questionnaire from a third party, September 2025, question 1). While the main suppliers of steel baling wire in the UK supply most wire types, there are some differences in those suppliers' portfolios. (FMN, paragraphs 79–80, and 83–84; Note of a call with a third party, August 2025, paragraphs 6–8; Response to the CMA questionnaire from a third party, September 2025, question 1).

8. The Parties submitted that the geographic market for the supply of baling wire should be at least EEA and UK-wide, if not global.[10] The evidence received by the CMA indicates that the baling wire market(s) are likely to be UK-wide.[11]

9. It has not been necessary for the CMA to conclude on precise product and geographic market definitions because, irrespective of the market definitions applied, the aggregate UK value of the market(s) is expected to be less than £30 million and, taking account of this and other factors explained below, the CMA considers that the market(s) are not of sufficient importance to justify a reference.

5. EXCEPTIONS TO THE DUTY TO REFER

5.1 Markets of insufficient importance (‘de minimis’ exception)

10. Under section 33(2)(a) of the Enterprise Act 2002 (the **Act**), the CMA may decide not to refer a merger for an in-depth phase 2 investigation if it believes that the market(s) to which the duty to refer applies is/are not of sufficient importance to justify a reference (referred to as the ‘de minimis’ exception). This exception is designed primarily to avoid references being made where the costs involved would be disproportionate to the size of the market(s) concerned.[12]

11. There may be merger investigations where it would be quicker and more efficient for the CMA to determine that it would apply its discretion to apply the ‘de minimis’ exception than it would be for the CMA to reach the requisite level of belief that the merger in question does not trigger the duty to refer. In such cases, the CMA may leave open the question of whether its duty to refer is met because, even if the duty to refer is met, the CMA would apply its discretion not to refer.[13]

12. The CMA’s starting point when considering whether to apply the ‘de minimis’ exception is the size of the market(s) concerned. The CMA considers that the market(s) concerned will generally be of sufficient importance to justify a reference (such that the exception will not be applied) where the annual value in the UK, in aggregate, of those market(s) is more than £30 million.[14]

[10] FMN, paragraph 102.
[11] In particular, evidence from customers suggests that UK-based suppliers are preferred, due to factors such as transport costs, lead times and the need to purchase in bulk when purchasing from non-UK-based suppliers. (Note of a call with a third party, August 2025, paragraphs 16 to 20; Note of a call with a third party, August 2025, paragraph 19; Note of a call with a third party, August 2025, paragraph 21; Response to the CMA questionnaire from a number of third parties, September and October 2025, question 6). Some of Accent’s internal documents also discuss market dynamics in relation to the UK specifically (Accent’s Internal Document, Annex 4-00000118 to the FMN, ‘[✂]’, 29 January 2025, slides 3, 5–6 and 14–16; Accent’s Internal Document, Annex 4-00000204 to the FMN, ‘[✂]’, August 2024, slide 3).
[12] Mergers: Exceptions to duty to refer (CMA64), 2 January 2025, paragraph 2.1.
[13] CMA64, paragraph 2.11.
[14] CMA64, paragraph 2.2.

13. Where the annual value in the UK of the market(s) concerned is £30 million or less, the CMA will consider the following factors when determining whether to exercise its discretion to apply the 'de minimis' exception:[15]

(a) the size of the market, including the extent to which revenues are an appropriate metric to assess market size, and whether the market is expanding or contracting;

(b) whether the merger is one of a potentially large number of similar mergers that could be replicated across the sector in question; and

(c) the nature of the potential detriment that may result from the merger, having particular regard to the CMA's objectives and priorities set out in its current Annual Plan.

5.1.1 Market size

14. Generally, the smaller the size of the market(s) concerned, the more likely it is that the CMA will apply the 'de minimis' exception.[16] When assessing market size, the CMA will take into account any factors which indicate that the market may significantly expand or contract in the foreseeable future.[17]

15. The Parties estimated the size of the market for the supply of steel baling wire in the UK in 2024 to be [£60-70 million].[18] The CMA identified at an early stage of its review that this was likely to significantly overstate the market size. Accordingly, the CMA gathered revenue and other data from third parties in relation to the supply of steel and plastic baling wire to test whether the Merger might be a candidate for the application of the 'de minimis' exception.

16. The CMA has estimated the size of the UK market using the Parties' and competitors' revenue data, together with estimates for other competitors based on information provided by the Parties and third parties. On this basis, the CMA estimates the size

[15] CMA64, paragraphs 2.3 and 2.14.
[16] In any event the aggregate value of the market(s) concerned will be expected to be £30 million or less, CMA64, paragraphs 2.16.
[17] CMA64, paragraphs 2.18.
[18] FMN, table 13 (sales from distributors, including resellers' sales, globally to UK-based end users); Annex 23 FMN, table 2 (sales from distributors globally, excluding resellers' sales, to UK-based customers). The Parties submitted that they did not have any reliable internal estimates of market size and competitors' shares of supply and so commissioned a market research firm to produce an independent market report including various market share estimates. To produce those estimates, the firm contacted market participants across different regions and consulted industry databases (FMN, paragraphs 108–111). Accent was not able to estimate the market size for the supply of plastic baling wire in the UK but noted that it does not consider it to be distinct from the wider baling wire market (Annex 24 FMN, paragraphs 2.1 to 2.6). The Parties further noted that including DR Baling's sales of its plastic baling wire product, PlasLOC+, would not materially impact the estimated shares of supply, given that customer uptake of PlasLOC+ has been limited to date (FMN, paragraph 112, footnote 35).

of the UK market for the supply of steel baling wire in 2024 to be between £25 and £30 million,[19] with the upper end of the range unlikely to be credible.[20]

17. The Parties submitted market share estimates for the supply of steel baling wire in the UK by value between 2022 and 2024, which indicate that the market has been declining over this period.[21] The CMA also sought views from third parties on their expectations for market growth and their own demand or sales. Overall, the evidence received did not indicate that the market is likely to significantly expand in the foreseeable future.[22]

18. The CMA estimates the size of the market for the supply of plastic baling wire in the UK to be approximately £1 million. This figure is largely accounted for by sales of DR Baling, the only UK-based manufacturer of plastic wire of which the CMA is aware.[23]

19. DR Baling's sales of plastic baling wire between 2023 and 2025 have been [✂].[24] Whilst the CMA received some evidence that the UK market for plastic wire has the potential to grow, the evidence indicated that such growth would result in a corresponding reduction in the size of the UK steel baling wire market (as demand gradually shifts from steel baling wire to plastic baling wire, at a lower cost for customers).[25]

20. Accordingly, the CMA expects that the aggregate value of the markets concerned by the Merger is £30 million or less.

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[19] The supply of steel baling wire to end-users in the UK comprises sales by distributers (who also sell to resellers) and resellers (who buy from distributers to sell to end-users). To estimate market size, the CMA combined distributers' (including non-UK based distributers who have sales in the UK) estimates of their revenues generated from the sale of baling wire to (i) end-users and (ii) resellers in the UK in 2024 with the Parties' actual revenues in these categories (Annex 23 FMN, table 2; Response to the CMA questionnaire from a number of third parties, August and September 2025, question 3 or 7). These data showed the total sales of steel baling wire in the UK to be approximately £25 million. The CMA calculated estimates for third parties that did not respond to the CMA's investigation and other, unidentified, suppliers using the estimates provided by the Parties, adjusted based on the average difference between competitors' estimates of their own sales compared to the Parties' estimates, together with other information about competitor presence. These estimates showed the total sales of steel baling wire in the UK to be approximately £30 million.
[20] This is owing to it including (i) estimated revenues for a large unknown 'other' category, the size of which is not supported by the information the CMA has received from the Parties and third parties and (ii) sales from non-UK distributors and so is likely to reflect double-counting (as UK-based distributers such as Accent purchase steel baling wire from non-UK distributors for resale in the UK).
[21] FMN, tables 7 and 13.
[22] Submissions to the CMA from a number of third parties, September 2025; Response to the CMA questionnaire from a number of third parties, September and October 2025, questions 3 or 8.
[23] Annex 22 FMN, response to questions 8 and 11; Note of a call with a third party, August 2025, paragraph 25; Response to the CMA questionnaire from a number of third parties, September 2025, question 6 or 8. Third-party responses indicated that sales of plastic wire in the UK are very limited. Note of a call with a third party, August 2025, paragraph 24; Response to the CMA questionnaire from a number of third parties, September and October 2025, question 5 or 7.
[24] Annex 22 FMN, response to question 8.
[25] Accent's Internal Document, Annex 4-00000118 to the FMN, '[✂]', 29 January 2025, slides 3,5–6 and 15. Note of a call with a third party, August 2025, paragraph 26. Response to the CMA questionnaire from a third party, September 2025, question 7.

5.1.2 Replicability

21. The CMA does not consider that the Merger is one of a potentially large number of similar mergers that could be replicated across the sector in question, such that the Merger could lead to customer harm across markets that in aggregate are significantly in excess of £30 million.[26]

5.1.3 Nature of potential detriment

22. The CMA is less likely to apply the 'de minimis' exception to mergers that impact markets which relate to an area of priority in the CMA's Annual Plan. In some circumstances, the CMA may consider that it would not be appropriate to apply the 'de minimis' exception even in markets that have no direct connection to the priorities set out in the Annual Plan because of the nature of the potential detriment.[27]

23. The supply of steel and plastic baling wire does not concern an area of priority set out in the CMA's 2025-2026 Annual Plan.[28] In particular, the market(s) concerned do not relate to the eight key sectors in the UK government's Industrial Strategy.[29]

24. In addition, the CMA considers that the markets concerned do not relate to other areas which, taking account of the CMA's purpose, are of sufficient importance to justify a reference, such as key areas of public expenditure, markets used by people who need help the most, or those of systemic importance within the UK.

25. For these reasons, the CMA does not believe that the nature of the potential detriment that may result from the Merger is such that the CMA should not exercise its discretion to apply the 'de minimis' exception.

5.1.4 Conclusion on 'de minimis' exception

26. Taking the above factors into consideration, the CMA believes that the market(s) concerned in this case are not of sufficient importance to justify a reference. As such, the CMA believes that it is appropriate for it to exercise its discretion to not make a reference in accordance with section 33(2)(a) of the Act. The CMA has not needed to conclude whether the Merger gives rise to a realistic prospect of a substantial lessening of competition in the market(s) concerned under section 33(1)(b) of the Act because, even if this criterion were met, the discretion would be applied.[30]

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[26] CMA64, paragraphs 2.23.
[27] CMA64, paragraphs 2.26–2.28.
[28] CMA Annual Plan 2025/26, 27 March 2025.
[29] CMA Annual Plan 2025/26, 27 March 2025, page 26. These are: advanced manufacturing, creative industries, life sciences, clean energy, defence, digital and technologies, professional and business services, and financial services. The UK's Modern Industrial Strategy, June 2025, page 14.
[30] CMA64, paragraph 2.11.

6. DECISION

27. The CMA believes that the market(s) concerned in this case are not of sufficient importance to justify the making of a reference, in accordance with section 33(2)(a) of the Act.

28. The merger will **not be referred** under section 33 of the Act.

Imogen Ditchfield
Director
Competition and Markets Authority
21 October 2025