



News Release

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LOCAL BUS MARKET INVESTIGATION

Appointment of Chairman

The Competition Commission (CC) has announced the appointment of a new Chairman for its inquiry into the UK local bus market, which was [referred](#) to the CC by the Office of Fair Trading (OFT) earlier this month.

The Chairman of the CC had originally appointed Dr Peter Davis to chair the Group. One of the parties to the reference raised concerns about the appointment of Dr Davis, arising from his involvement in the CC merger inquiry relating to Preston Bus, which has been appealed to the Competition Appeal Tribunal.

The CC is satisfied that the objections raised are without foundation. The CC does not accept that Dr Davis's involvement in the Preston case would in any way compromise the ability of the Local Bus Services Market Investigation Reference group to discharge its functions in an independent and impartial manner. Nevertheless, the CC recognizes the importance of parties having confidence in the impartiality and fairness of its processes. In the interests of ensuring a speedy, efficient and uncontroversial start to this important market investigation it has been decided that Dr Davis will withdraw from the Group and the Chairman has appointed Mrs Diana Guy to chair the Group instead.

A letter explaining this decision and detailing the appointment of the other members to the inquiry group is now [available](#) on the CC website.

Notes for editors

1. The CC is an independent public body, which carries out investigations into mergers, markets and the regulated industries.
2. Under the Enterprise Act 2002 the OFT can make a market investigation reference to the CC if it has reasonable grounds for suspecting that competition is not working effectively in that market.
3. In its inquiry, the CC is required to decide whether 'any feature, or combination of features, of each relevant market prevents, restricts or distorts competition in connection

with the supply or acquisition of any goods or services in the United Kingdom or a part of the United Kingdom'. If so, then there is an adverse effect on competition and the CC will also consider whether this is resulting in a detrimental effect on customers such as higher prices, lower quality or less choice of goods or services. The CC will then decide whether the CC should introduce remedies to tackle the adverse effect on competition or detrimental effect on customers or whether the CC should recommend action be taken by other bodies to remedy the adverse effects on competition and if so, what actions or remedies should be taken. If the CC finds that there is no adverse effect on competition, the question of remedies will not arise.

4. The Enterprise Act 2002 requires the CC to consult the main parties on its proposed decisions and it will also publish notice of its provisional findings on the CC website as required by its rules. Full details on the CC's guidelines for Market Investigation references are available on the CC website www.competition-commission.org.uk.
5. Market Investigation references are intended to focus upon the function of a market as a whole rather than the conduct of a single firm in a market. If the OFT has concerns about the conduct of a single firm or firms that have engaged in anti-competitive agreements, it will first consider whether those actions infringe the Competition Act 1998.
6. Enquiries should be directed to Rory Taylor or John Park on 020 7271 0242 (email [Rory Taylor](mailto:Rory.Taylor@cc.gov.uk) or [John Park](mailto:John.Park@cc.gov.uk)).