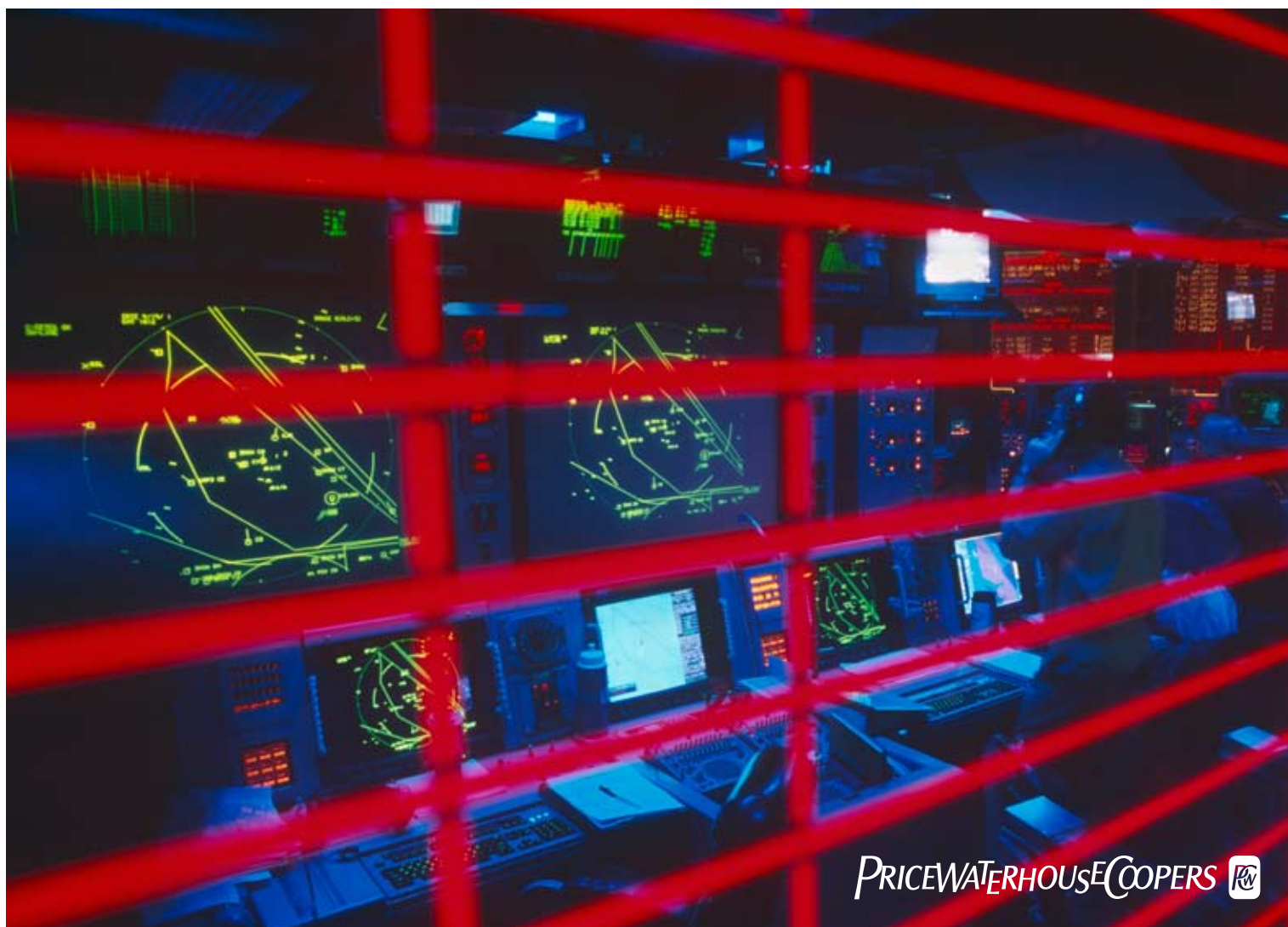


Navigating Merger Control Risks

Practical merger control solutions for M&A



Any merger or acquisition has the potential to be scrutinised and blocked by the relevant competition authorities, whose job it is to protect the competitive process in markets. These authorities have the power to block a merger outright, or to impose remedies which can be onerous and may impair the commercial logic of the deal.

Most mergers will carry some form of merger control risk. Although serious issues tend to be the exception rather than the norm, these issues need to be handled

carefully to protect shareholder value from a deal. A deeper understanding of these risks may widen the range of possible deal options for acquirers, and can improve your negotiating position whether you are a buyer or seller.

This guide summarises the key processes. It also explains how effective handling, on both a proactive and reactive basis, can help achieve commercial objectives, and how the Economics practice at PricewaterhouseCoopers can support.

Challenges for M&A practitioners

M&A practitioners generally see merger control simply as an obstacle to be overcome, and one that is becoming an increasing challenge. However, deal-makers who adopt a proactive approach to addressing these challenges will benefit in terms of the deals they can feasibly consider and the strength of their hand at the negotiating table.

The practical and commercial impact of merger control

- **Mandatory notification:** Merger control regimes exist in over 90 countries and more countries are in the process of adopting new laws and regulations. These include emerging and growth economies such as China and India. There is generally no 'one size fits all' approach to determining filing requirements, process, substantive issues and timing.
- **Suspension of deal before clearance:** An increasing number of merger control authorities require suspension of the deal before clearance. Companies must avoid 'jumping the gun', which means merging parties must operate as separate companies and must not integrate their operations before approval. Even though there is no obligation to notify the UK merger control authorities of a merger in advance, the *Stericycle* case¹ illustrates that in transactions that raise competition concerns, the purchaser integrates businesses without prior merger clearance at its own risk. In practice, in cases raising competition issues, the UK Office of Fair Trading (OFT) is increasingly requiring parties to completed mergers to sign hold separate undertakings pending the outcome of its review. It is important to understand the extent of merger control risk presented by a merger, given the potential commercial implications of 'unscrambling the eggs' if hold separate obligations or divestments are ultimately imposed.
- **Timing issues:** Where companies must wait for clearance, the regulatory and commercial timetables need to be coordinated. Whereas many jurisdictions operate a first phase of approximately one month, some take longer or may fail to meet the stated deadlines. This should be brought to the attention of all the deal team members and management, given the sanctions for implementing a transaction unlawfully and the potential implications for deal financing of a long regulatory timetable. The overall timetable can be up to 160 working days in the EU if a deal goes to a second phase under the EC Merger Regulation (ECMR). A different timing implication arises from very tight deadlines for notification after a triggering event. Generally, most merger regimes do not adopt a strict deadline for filing but there are exceptions.
- **The growing administrative burden:** Where merger filings need to be made, the authorities demand vast amounts of information about the deal and the parties, even where the acquisition is unlikely to raise material competition concerns. The information is typically gathered over and over again, taking up valuable resources and can lead to delays in the deal timetable, often frustrating commercial objectives, if the process is not effectively managed.
- **The paper trail:** Strategic plans, accounts and business analyses relevant to the deal, whether produced by the merging parties or third parties, will typically be required to be disclosed to the regulators. Quite apart from the administrative burden involved, the documents disclosed have an important bearing on the substantive and risk assessment. Business reports may provide insights as to how the relevant markets are defined or the impact of the deal on competition. Therefore, it is important that best practice is adopted. This will avoid creating documents which may be unhelpfully construed out of context by the regulators, for example, by presenting an overly optimistic outlook for the merged entity – or worse still, suggesting potential for the merged business to raise prices.

¹ In *Stericycle/ STG* the parties had completed their merger and started to integrate their businesses before the OFT had sought to agree any undertakings to hold the businesses separate pending the outcome of its review. On a reference to the Competition Commission (CC), the CC imposed an interim order due to concerns about the extent of ongoing integration between the parties. Following concerns that the two businesses were essentially under the same management, the CC issued a direction requiring the parties to put in place specified organisational structures to separate various key business functions, and required the appointment of a monitoring trustee and hold separate manager to ensure business separation. This order was upheld on appeal to the Competition Appeal Tribunal (CAT) on 19 September 2006.

Assessing the regulatory risk

What are the regulators looking for?

A proper understanding of merger control risk is important to both buyers and sellers. Unforeseen antitrust issues arising midway in a deal can affect timing and risk.

Informed sellers will benefit from increased leverage in negotiations with potential buyers, allowing them to secure an appropriate premium for additional risk associated with holding out for merger control clearance. Acquirers will be better able to make an informed decision over what deal options exist and whether or not to make an unconditional offer. The consequences of not exploring these issues properly can be extremely serious.

Example: Interbrew/Bass

In August 2000 Interbrew completed an acquisition of Bass Brewers for £2.3 billion (not conditional on competition clearance). However a subsequent CC inquiry imposed a full divestiture of the acquired business. A successful judicial review of the original decision on the remedy ultimately led to the sale of Carling Brewers to Adolph Coors Co. for £1.2 billion.

The Interbrew case is an example of understating these risks. However, it is equally likely that in many cases antitrust risks are being overstated leading to missed opportunities to create shareholder value. In the words of one major deal adviser: *“Effective management of the antitrust process is the new frontier of M&A. For some companies, it may even become a new source of competitive advantage. Just as superior post merger-integration skills have distinguished successful acquirers from the also-rans, so too will superior capabilities in winning approval from the European Commission for proposed deals”*.²

Whether a transaction qualifies for investigation will typically be a mechanical test of whether or not it meets the particular turnover or assets test, although some authorities adopt a market share test in determining which transactions are caught. In deciding whether to grant regulatory approval, merger control authorities will look primarily at the impact of the deal on competition, although the precise tests differ by jurisdiction. Market shares are a starting point only. In addition, regulators will typically consider:

- Market structure
- Level of pre- and post-merger concentration
- Evolution of market shares over time
- Nature of competition between the parties (are they their ‘closest competitors’?)
- Strategic advantages of the parties and their competitors, for example as a result of IP or other advantages
- Alternative sources of supply
- Barriers to entry and scope for and likelihood of new entry
- Supply and demand trends
- Countervailing buyer power
- Merger-related efficiencies
- Whether the merger provides an opportunity to rescue a failing firm

Regulators in the EU are increasingly taking a more ‘economics-based approach’ to the assessment of mergers, including in relation to whether the merger generates efficiencies and other consumer benefits. This is visible in the substantive tests and the published guidelines, as well as in recent decisional practice.

Case study: Global Radio/GCap Media

Global Radio’s acquisition of GCap Media provides an example of efficiencies evidence being used in a media merger. In this case the OFT considered whether to accept undertakings in lieu of a reference to the CC. According to the OFT’s press release (8 August 2008), this was the first time that efficiencies evidence has made a material difference to the outcome in a ‘horizontal’ (i.e. between competitors) merger case.

² *Winning Merger Approval from the European Commission*. Boston Consulting Group 2005

Devising an effective regulatory strategy

Ensuring that merger deals are not unduly hindered by the need to clear regulatory hurdles requires a proactive and well-coordinated strategy. This includes:

- **Upfront consideration of substantive issues and possible remedies:** Where a transaction gives rise to competition issues it is important that information is obtained at the earliest stage to assess the extent of the problem and to decide on the best strategy for dealing with it. For example, if competition issues are confined to particular markets, it may be possible to identify early on clear remedies which can be offered to the regulators as the 'price' for clearance and which do not undermine the commercial value of the deal. However, given the tight regulatory deadlines such consideration needs to take place early in the transaction planning, in order to allow for meaningful consideration by the parties and the regulators.
- **Early engagement with regulators:** For some jurisdictions, particularly the EU, it is usually advisable to engage in pre-notification discussions with the authorities and to submit a draft notification before filing. This helps to ensure that a filing is complete on notification and can start the clearance clock ticking. The parties may also be able to pre-empt some of the authorities' concerns before a formal notification is made, so that a clearance can be granted at the first stage avoiding a long second stage review.
- **Managing third party reaction:** Opposition may be likely from customers, suppliers and competitors. The competition case that the parties might seek to advance – that the merger would not result in a reduction in choice or increased prices – may not have been tested. Even if the competition case could be supported, a merger might still face a highly charged and hostile environment. This represents a significant 'unknown' which could swing the final result either way. Therefore, it is important to anticipate and manage such reaction by engaging all on the deal team (including all advisers as well as public relations teams) with the regulatory process.
- **Establishing and building up good relationships with the regulators:** This can be vital in ensuring a smooth passage for a difficult deal and in ensuring clearance in unproblematic cases. A route to establishing a good relationship is through the provision of accurate, clear and consistent filings. Ensuring this takes place within each deal and across deals over time to the same regulators removes the risk of errors. Inconsistencies in data and analysis not only delay transactions with regulators issuing further information requests but can be damaging in terms of goodwill.

How the Economics practice at PricewaterhouseCoopers can help

PwC is the only 'big four' firm with a top-tier competition economics team with long experience helping clients appraise and manage the merger control risks associated with deals. The team includes internationally renowned academic economists, practitioners dedicated to the implementation of remedies, and individuals with experience working within competition authorities and regulators.

The Economics practice at PwC carried out the first ex-post merger study carried out by a competition authority in Europe, examining in detail what happened after large concentrations were allowed to proceed by the UK competition authorities.

Our team can provide ongoing support and expert advice in a variety of contexts:

Regulatory due diligence

We can provide a first assessment of the likelihood of clearance for prospective deals. This might provide reassurance that a deal is likely to get clearance, or identify ways to restructure the deal to avoid regulatory problems.

This two to three week process would involve an analysis of precedents in the market, and a presentation of key risks and remedy options. We can prepare a focused report that can be presented to management.

From the seller's perspective we can inform the risks of going ahead with a trade sale conditional on clearance, as opposed to looking for alternatives such as private equity buyers. For buyers, we can screen possible deals to assess the risks of making an unconditional offer should the commercial situation require and/or to identify likely remedies that will need to be proposed to gain clearance.

Example: Automotive client – Second Opinion

A Corporate Finance client had received a negative legal assessment of a proposal to engage in the auction for its largest rival. This was deemed a 'non-starter' on competition grounds as there were only four players in the sector. The PwC Economics team provided expert advice on the likely economic impact of the merger leading to a favourable assessment of the merger from the EC and the client proceeded with the auction process.

Deal creation advice

Our advice can be used to identify merger control risks amongst a range of merger options in a sector. This will highlight the likely reaction of authorities to a range of different deals allowing management to trade off merger control risks with other commercial drivers to select the most appropriate deal. We use a range of techniques to mirror the tools used by the authorities that may scrutinise the selected deal. In recent years, these tools have become more sophisticated and objective allowing for more accurate replication of their approach.

Example: Telephony client – Portfolio review

Following our involvement developing arguments to support consolidation in a national mobile market we reviewed our client's portfolio of international investments to identify the prospects of clearance of possible mergers in the markets in which it was present. This has led to further analysis in the context of a possible acquisition in another of its markets.

Gaining regulatory clearance

When a merger looks likely to become subject to detailed investigation, we can provide all the appropriate economic advice to make the best case to the regulators. Their decision will frequently hinge on the economic analysis they carry out. Our support will include evidence assembly and analysis, advice on how best to present the most persuasive case, and assistance presenting the case to the authorities in meetings and through the production of expert reports and analysis.

We can assist parties with obtaining informal advice from the authorities at the pre-notification stage for confidential deals.

Example: Home shopping merger – Phase II clearance

Following a referral to the UK CC the Economics practice at PwC provided expert evidence focusing on the nature, extent and likelihood of efficiencies arising from the merger, and the viability of the target under alternative scenarios. We were able to show that in the absence of the merger, the target would have been wound down due to insufficient demand to justify investment in new capacity. The CC agreed and cleared the merger.

Designing remedies

We can also help to advise on the design and implementation of robust remedies that meet the authorities' needs, and potentially avoid the need for a protracted second stage investigation that may substantially delay closure of the deal.

Example: Veolia remedies – European commitments

PwC were the lead CF advisers on the divestment of a High Temperature Incineration (HTI) plant in Fawley, Southampton, a remedy agreed by Veolia ES Holdings plc with the European Commission in Veolia/Cleanaway. Our merger trustee specialists advised Veolia and our Corporate Finance team on the impact of the commitments and compliance requirements for the sale, including interactions with the Commission's Monitoring Trustee. The sale was successfully completed, with the Trustee and Commission accepting the acquisition of a package of assets by a MBO/MBI team backed by private equity.

International merger control process

Mergers with a 'Community dimension' (as explained below in the section on the EC Merger Regulation) are examined by the European Commission (EC) in Brussels, subject to certain limited exceptions. If a merger does not have a Community dimension, national merger control rules in the Member States of the Community may apply.

An international merger may also be scrutinised by an increasing range of merger control authorities worldwide. These include the Department of Justice or the Federal Trade Commission in the US. Frequently, merger control may be triggered in foreign-to-foreign deals, even where the merging parties do not have their headquarters in the relevant jurisdiction.

UK merger control

What transactions are caught?

The UK OFT has a duty to refer completed or anticipated mergers to the CC where it believes that there is or may be a **relevant merger situation** which has resulted, or may be expected to result in a **substantial lessening of competition (SLC)**.

A relevant merger situation may arise when the following conditions are met:

- Two or more businesses cease to be distinct (i.e. are brought under common ownership or control); AND
- The transaction meets either of the following tests:
 - **turnover test**: the turnover in the UK of the enterprise over which control is acquired exceeds £70 million;
 - **share of supply test**: the merger itself creates or enhances a 25 per cent share of supply of purchases of any goods or services in the UK (or in a substantial part of the UK); AND
- Either the merger has not taken place or the merger has taken place not more than four months before the reference being made.

The share of supply test is not a market share test and in practice allows the OFT a wide discretion in describing the goods or services, which do not need to correspond to an economist's market definition.

The OFT has a duty to refer where there is a "realistic prospect" of an SLC, which may be less than a balance of probabilities.

The OFT may exercise a **discretion not to refer** in three limited cases:

- Where the market is not of sufficient importance;
- Where the SLC would be outweighed by benefits to consumers (this applies rarely in practice); or
- Where the arrangements are not sufficiently advanced or are unlikely to proceed.

Notification

Notification of an anticipated or completed merger in the UK is **voluntary**. However, in practice a large number of

transactions are notified to the OFT to give the parties legal certainty. Irrespective of notification, the OFT may be subject to a duty to refer a merger to the CC, which carries a risk of remedies being imposed if there are competition issues.

A notification may take the form of:

- **Merger Notice**: where a Merger Notice is submitted the OFT must decide within a statutory period (20 working days which may be extended by 10 working days) whether to refer the merger to the CC. However, the OFT may indicate that in complex cases a Merger Notice is unsuitable.
- **Informal Submission**: this may be suitable for more complex cases. There is no statutory period for dealing with an informal submission but the OFT has stated in its procedural guidance that once the necessary information has been received, companies can generally expect a decision in 40 working days.

Guidance

The more detailed confidential guidance that the OFT has offered in the past is no longer available at present.

However, the OFT is prepared to give informal advice for good faith confidential transactions raising genuine issues. As the OFT is unable to consult with third parties, any advice given is qualified accordingly and is based on the assumption that any information given is accurate.

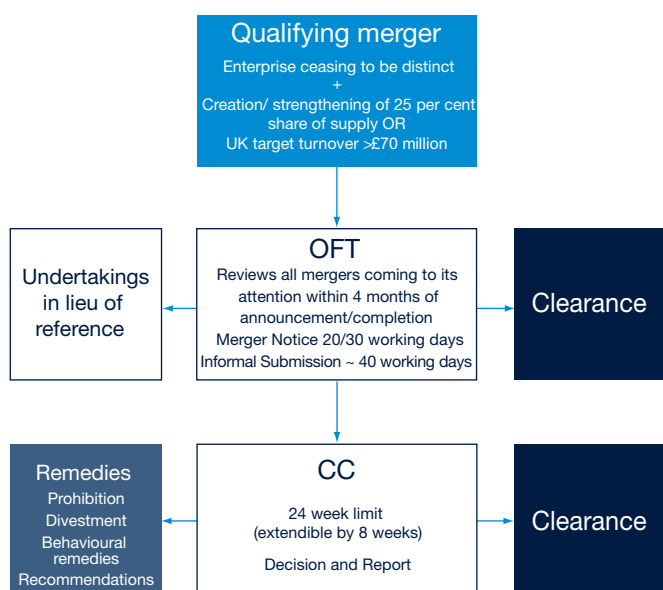
Timing and process

Where a merger is referred by the OFT to the CC for investigation, the CC must publish its decision within 24 weeks from the date of reference, although the CC can extend the period by up to 8 weeks.

There is no impediment to the completion of a merger when it is being considered by the OFT but as noted above, the merging parties may be prevented from integrating their businesses in cases where there is a prospect of competition issues.

If a reference is made to the CC, any party to a merger is prohibited from undertaking further integration or (in the case of anticipated mergers) acquiring an interest in shares in another merging party, except with the consent of the CC.

UK merger control: Process overview



Track record

The OFT expects to review between 180 and 230 mergers each year, and to make between 10 and 25 referrals to the CC. The time taken for reviews will vary, with around 30-50 mergers annually expected to raise complex issues requiring a 'case review meeting'.³

- The CC finds that there has been an SLC in approximately 50 per cent of completed cases.
- Of cases where an SLC is found, only around five per cent result in the deal being blocked, or complete divestment.⁴
- Research commissioned by the OFT suggested that 12 per cent of all mergers considered by businesses were abandoned or modified on competition grounds. This figure rises to 30 per cent for mergers in sectors in which there has been a recent CC inquiry.⁵
- Where a reference was made, the average time taken for the CC to publish provisional findings in 2007/08 was 16.6 weeks (not including inquiries which were extended). In 2006/07 and 2005/06 the average time taken was 16.4 weeks. In 2007/08 the CC found an SLC in six cases. None of these were blocked completely.⁶

³ Office of Fair Trading Annual Report 2005-06 p57.

⁴ Calculated from information available on the CC website <http://www.competition-commission.org.uk/>.

⁵ Office of Fair Trading, OFT962 p37.

⁶ CC Annual Report and Accounts.

What transactions are caught?

The objective of the ECMR is to review only those mergers with a 'Community dimension' (i.e. large scale transactions which significantly affect trade within the European Community). The ECMR applies where either of the primary or alternative thresholds set out below applies:

Primary thresholds	Alternative thresholds
Aggregate worldwide turnover of all the parties exceeds €5 billion AND	Aggregate worldwide turnover of all the parties exceeds €2.5 billion AND
Community-wide turnover of each of at least two parties exceeds €250 million UNLESS	Community-wide turnover of each of at least two parties exceeds €100 million AND
Each of the parties achieves more than two-thirds of its aggregate Community-wide turnover in one and the same Member State	In each of at least three Member States the aggregate turnover of all the parties exceeds €100 million AND In each of at least three Member States mentioned above the turnover of each of at least two parties exceeds €25 million UNLESS Each of the parties achieves more than two-thirds of its aggregate Community-wide turnover in one and the same member state

The calculation of relevant turnover for ECMR purposes can be complex and specialist advice should be sought on this point.

Timing and process

Where the ECMR thresholds are met, notification is mandatory. The general rule is that a transaction may not be put into effect before a notification and until the final decision by the EC, unless a derogation is granted.

Depending on the extent of any antitrust issues raised, completing the notification form (Form CO) can be a major exercise. Even if there are minimal issues, a large amount of information on the parties and the transaction is required, although a short-form notification may be available in certain cases.

The EC must reach a decision at **Phase I** within 25 working days from the effective date of notification. This is extendable by 10 working days where the parties submit remedies to resolve competition issues.

If the EC decides after a Phase I review that the transaction raises 'serious doubts' about whether it may give rise to a 'significant impediment to effective competition' it will start an in-depth **Phase II** investigation. The basic period for a Phase II investigation is 90 working days which may be extended to 105 working days if remedies are offered after the 55th working day of Phase II. A one-off extension of 20 working days may be sought in certain circumstances. The maximum length of Phase II can therefore be 125 working days.

A Phase II procedure is very onerous and will involve responding to many information requests, a statement of objections and invariably an oral hearing (often involving complainants). This will involve a considerable amount of management time.

Track record

The EC completes around 300 merger reviews each year, of which five to ten will progress to Phase II.

- Remedies are imposed in around six per cent of completed cases (around five per cent of cases completed at Phase I, and around 50 per cent of cases completed at Phase II).
- Only around 0.2 per cent of cases have tended to be blocked outright each year (approximately one merger).⁷

⁷ Calculated from information available on the EC website http://ec.europa.eu/comm/competition/index_en.html.

Specific merger control issues

Joint ventures

The creation of a joint venture or a shift in control or influence over an existing joint venture may trigger merger control. In the UK this may constitute a qualifying merger, provided that the turnover test or the share of supply test is met, as described above.

All 'full function' joint ventures are caught by the ECMR, provided that they meet the relevant turnover thresholds as described above. To qualify as 'full function' the joint venture must be an [autonomous economic entity](#) resulting in a permanent structural change.

Joint ventures that are not full function or which do not result in a change in control or influence such as a strategic alliance, are not caught by merger control but by the rules governing restrictive practices (i.e. the Chapter I prohibition in the UK and Article 81 EC Treaty).

Previously, non-full function joint ventures affecting trade between Member States could be notified to the EC for exemption as with other restrictive agreements. However, the notification system was abolished as of 1 May 2004. The risk as to whether an agreement which falls short of a full function joint venture is valid therefore rests with the parties. There can therefore be risk management benefits if a deal can be structured as a full function joint venture which is subject to approval under the relevant merger control rules. Also some non-full function joint ventures may trigger merger control in certain Member States, hence the importance of early advice on transaction planning and structure in all relevant jurisdictions.

Special sectors

Mergers in regulated sectors such as utilities may require approvals from the sectoral regulators, in addition to clearance from the merger control authorities.

In the UK, different rules are in place for public interest (i.e. national security, newspapers and media) mergers. Broadly, this means that the Secretary of State may intervene on public interest grounds even where a merger does not raise competition issues.

In the UK there is also a special regime for water (and sewerage) mergers. In some circumstances water mergers are subject to a mandatory reference to the CC. There are no special UK merger control rules for regulated utilities (such as electricity, gas, telecommunications or rail). However, such mergers may raise issues for the sectoral regulator and may require modifications of an operating

licence. The sectoral regulators work closely with the competition authorities in respect of mergers in their area.

Private Equity

Investments by private equity in businesses and joint ventures may trigger merger control where they confer control or the required level of influence over the target. This may be established by the acquisition of a minority interest, for example if this is coupled with veto rights over key commercial decisions. The level of control or influence required to trigger merger control is lower in the UK than in the EU (i.e. 'material influence' in the UK as opposed to 'decisive influence' in the EU).

The determination of which investors are relevant for merger control purposes and therefore which turnover and which substantive interests are relevant can be particularly complex in deals involving a number of players such as consortium bids. For example, the addition of a new investor with veto rights over key commercial decisions can turn a relatively straightforward merger filing in one jurisdiction into a complicated multi-jurisdictional deal overnight because that investor has business interests which overlap with the target.

At the earlier stages of private equity investment, deals did not tend to raise significant substantive issues. However, this can no longer be assumed as private equity holdings have become increasingly diversified. Exit sales to a trade buyer can also raise substantive issues. Furthermore, sellers in auctions may well require potential buyers to establish upfront that they do not have insurmountable competition issues – or take the risk.

Early consideration of potential merger filings and overlaps in affected markets can therefore pay benefits in maximising commercial value and in terms of overall regulatory strategy and timing.

Example: Hg Capital/Denton

Joachim Drees, director of Hg Capital, stated that the EC's objections made it clear that the deal had "no chance" of clearing a Phase II investigation: "it would have been a waste of time and effort to try and get this through, when it was obvious that the [EC] wouldn't allow it...The [EC] did the work they were meant to do...[but] I would have looked at the size of the customers in comparison with the merged company."

Global Competition Review (GCR), 15 June 2007

Summary: Quick Checklist

In assessing the implications of merger control against the client's particular circumstances it is essential to consider as a first step:

- 1 **Strategy:** what is the deal rationale (geographic expansion, product expansion, synergies, rescuing a failing firm)? How could regulators interpret the transaction documents and business case (i.e. whether pro-competitive or anti-competitive)?
- 2 **Deal:** what is the deal context (acting for seller, buyer, competitive bid situation)?
- 3 **Market reaction:** is anyone likely to complain about the merger (customers, suppliers, competitors)? What might the analysts say?
- 4 **Consumer impact:** is the deal likely to be good for consumers? Will consumers benefit through better quality goods/services, more choice or reduced prices?
- 5 **Timing:** how important is timing to the success of the deal and would the parties prefer a trade-off between an unconditional clearance and long regulatory timetable (no remedies) or a shorter timetable (with remedies)?
- 6 **Data:** what are the readily available data on the transaction (Information Memoranda, market reports, legal advice, past filings)?
- 7 **Turnover and assets:** where do the merging parties generate turnover and have assets?
- 8 **Products and services:** what are the key products and services and where do the parties hold strong market positions?
- 9 **Industry trends:** what have been the main trends in the industry (increasing consolidation, new entry and exit, innovation, rising costs and prices)?
- 10 **Remedies:** what remedies or divestments would be acceptable to the parties, while still preserving the deal rationale?

About us

The Economics practice at PwC has worked on some of the highest profile deals:

BASF/CIBA (EC/FTC)

Pernod Ricard/V&S (EC/FTC)

DONG/Elsam/E2/KE/FE (EC)

Pernod Ricard/Allied Domecq (EC)

Procter & Gamble/Gillette (EC/FTC)

Air Liquide/Messer Targets (EC)

GE/Instrumentarium (EC)

Yara/Kemira GrowHow (EC)

Ainscough Crane Hire Limited/Nationwide Crane Hire Limited (UK)

Sportech plc/Vernons (UK)

Macquarie UK Broadcast Ventures/National Grid Wireless Group (UK)

Stihl/Zama (Germany)

Atlas Copco/ABAC (Germany/Austria)

SOK/Suomen Spar (Finland)

Elisa/Saunalahti (Finland)

What others say about us

In the GCR annual survey of the 20 leading competition economics firms, PricewaterhouseCoopers LLP has been ranked 5th largest in the world for the last three years. PricewaterhouseCoopers' industry expertise has been noted in the survey: "PwC competition specialists have access to an unprecedented range of industry specialists".

Global Competition Review 20

Client citations

"We were going through a merger of six Danish energy companies and the EU commission wanted a trustee to supervise the implementation of the gas release programme, which was a part of the merger approval. PwC presented us with some concrete experience and knowledge and with a team and individuals who has embedded that experience and knowledge. We have had a very good experience with PwC in the Danish Gas Release Programme."

Jan Ingwersen, Vice President, Regulatory Affairs & Infrastructure, Energy Markets, DONG Energy A/S.

Colleague citation

"PwC were engaged to advise on the sale of Ainscough Crane Hire. In order to maximise shareholder value we encouraged the client to investigate an acquisition opportunity prior to sale. However we were concerned about the impact of competition concerns on the proposed sale process. We needed clarity that these competition issues would not disrupt the sale or cause concern to the buyers of Ainscough. We contacted the economics team, and they were able to leverage their expertise in the field in a way that unlocked enormous value to the client. With their support the acquisition was cleared unconditionally by the OFT, increasing the enterprise value for Ainscough by around £35 million."

Tony Meeke, Partner, Corporate Finance, PwC

PwC Economics UK Merger Specialists



Tom Hoehn

Partner

+44 (0)20 7804 0872

thomas.hoehn@uk.pwc.com

Tom is a renowned competition economist and appears in the *International Who's Who of Competition Economists*. Tom is visiting professor of antitrust at the Tanaka Business School, Imperial College London, where he teaches on the MBA programme.

Tom has advised on the competition aspects of over 50 deals at the national and EU level before the Commission and the CFI. His recent consulting experience includes acting as Monitoring Trustee for Procter & Gamble, Pernod Ricard, GE, and Air Liquide in EC merger control proceedings.



Daniel Hanson

Director

+44 (0)20 7804 5774

daniel.hanson@uk.pwc.com

Daniel leads our work in the area of new regulation, operating at the interface between competition and regulatory economics. He has advised clients on competition and regulation issues in virtually every sector of the economy but has particular experience in M&A, financial services, transport, energy & utilities, and health.

Daniel led our advice obtaining deal clearances for Ainscough Crane Hire and South African Breweries. He writes frequently in a range of PwC and external publications.



Hsiu Min Lim

Assistant Director

+44 (0)20 7804 6882

hsiu.min.lim@uk.pwc.com

Min specializes in Monitoring Trustee work for remedies arising from EC merger control enforcement. Cases that she has worked on include Pernod Ricard/V&S, Pernod Ricard/Allied Domecq, Procter & Gamble/Gillette, Air Liquide/Messer Targets and GE/Instrumentarium.

Min also has strong experience in the development of surveys, particularly conjoint surveys, that can be used as market evidence in antitrust or regulatory investigations and litigation cases as well as for commercial purposes.



Tim Ogier

Partner

+44 (0)20 7804 5207

tim.ogier@uk.pwc.com

Tim leads the PricewaterhouseCoopers Economics Advisory Services team in the UK. He has twenty-five years experience as a business economist, having previously been Chief Economic Adviser to British Rail. At PwC Tim has been responsible for developing the economics business in two broad areas: competition/regulation and litigation services, and financial economics advice. Tim's major clients include Vodafone, ITV, Alliance Unichem, the UK Office of Fair Trading, Nomura, Lloyds TSB, Channel 4, BAA, Camelot and Ford.



Matthew Gaved

Director

+44 (0)20 7804 7111

matthew.gaved@uk.pwc.com

Matthew has extensive experience as a Monitoring Trustee for the European Commission. He has been closely involved in a number of major European Monitoring Trustee cases over the last five years including; Solvay/Montedison-Ausimont, GE/Instrumentarium, Air Liquide/Messer Targets, Veolia/Cleanaway, DONG, Yara/Kemira and Rexel/Hagemeyer.

Matthew has a BSc (Hons) from Durham University, an MBA from the London Business School (LBS), a PhD from the London School of Economics and a Masters in Finance (MiF), also from LBS.



Grant Saggars

Manager

+44 (0)20 7212 1102

grant.d.saggars@uk.pwc.com

Grant has a number of years of experience working in the field of competition economics in Europe and South Africa. He has worked on a variety of merger cases including MyTravel/Thomas Cook, Yara/Kemira GrowHow, Compagnie de Saint Gobain/Maxit, and INEOS/Kerling. Grant has authored papers in the field of competition economics.

Grant has an MPhil in economics from Cambridge University, and first class masters degrees in economics from the University of the Witwatersrand.

European contacts

France

Philippe Girault

+33 (0) 01 56 57 8897

phillippe.girault@fr.pwc.com

Germany

Alfred Höhn

+ 49 30 26 36 1270

alfred.hoehn@de.pwc.com

Netherlands

Jan Willem Velthuisen

+31 (0) 20 5685231

jan.willem.velthuisen@nl.pwc.com

Spain

Enrique Cañizares Pacheco

+34 915 684 250

enrique.canizares.pacheco@es.pwc.com

