

[Press release: CMA orders sale of customer contracts in washroom suppliers' merger](#)

Rentokil Initial must sell several large supply contracts to satisfy CMA concerns over its merger with Cannon Hygiene.

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The decision by the Competition and Markets Authority (CMA) comes after an in-depth Phase 2 investigation into the completed merger between 2 of the UK's largest suppliers of washroom services. The firms supply commercial, industrial and public buildings with items and services such as soap dispensers, air sanitisers and sanitary waste disposal.

The CMA's group of independent panel members investigating the merger has today published its final decision. It found that the deal is likely to result in higher prices or a worse service for customers seeking a single supplier of waste disposal services at multiple locations across the whole or a large part of the UK.

The findings show that the merger of Rentokil and Cannon, who are 2 of the 3 major suppliers of washroom waste disposal, would reduce the choice of suppliers available to these customers. The CMA found that this effect would not be offset by competition from other suppliers. Nor did it find evidence that future entrants into the market would have sufficient impact in the foreseeable future.

To offset the loss of competition resulting from the merger, the CMA has decided Rentokil / Cannon must sell all contracts with customers that have premises nationally and across multiple regions, who were serviced by Cannon prior to the merger. These contracts will be sold to a different company to recreate the pre-existing competitive intensity for future national contracts. This company would need to be approved by the CMA. The new washroom services supplier will also, should it so require, be able to acquire Cannon infrastructure such as vehicles and equipment to enable it to provide an effective service to these customers.

Anne Lambert, Inquiry Chair, said:

Our decision will preserve competition and choice for customers seeking a single supplier of washroom services across multiple locations.

Where the CMA concludes that a merger will have a significant impact on competition, it will take action to restore that competition – regardless of whether a merger has been completed.

Full information on the merger investigation can be found on the [case page](#).

Notes to editors

1. The CMA is the UK's primary competition and consumer authority. It is an independent non-ministerial government department with responsibility for carrying out investigations into mergers, markets and the regulated industries and enforcing competition and consumer law.
 2. Rentokil Initial acquired Cannon Hygiene in January 2018. In April 2018, the CMA called in the merger for investigation. At the end of the initial (phase 1) review, Rentokil Initial offered no undertakings to address the competition concerns found in the CMA's phase 1 decision, and the CMA therefore referred the case for an in-depth ([phase 2](#)) investigation on 28 June 2018.
 3. On 18 October 2018 the CMA [published its provisional findings](#) and [notice of possible remedies](#) and invited views.
 4. The CMA's functions in phase 2 merger investigations are performed by inquiry groups chosen from the CMA's panel members. The appointed inquiry group is the decision-maker on phase 2 investigations.
 5. The CMA's panel members come from a variety of backgrounds, including economics, law, accountancy and/or business; the membership of an inquiry group usually reflects a mix of expertise and experience.
 6. The members of this inquiry group are [Anne Lambert \(Inquiry Chair\)](#), [Gareth Davies](#), [Susan Hankey](#) and [Jeremy Newman](#).
 7. Media enquiries to the CMA should be directed to press@cma.gov.uk or 020 3738 6460.
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[News story: Tech merger may reduce options for people with communication needs](#)

Tobii and Smartbox design and supply technology to enable people with complex speech and language needs to communicate – known as augmentative and assistive communication solutions. These solutions include specialised hardware and software, such as alarm systems, speech generating devices and hearing technologies.

The Competition and Markets Authority (CMA) has found that Tobii and Smartbox are leading suppliers in this sector and are each other's main competitor. The CMA is concerned that the merged company would face little competition, which could lead to a reduced range of products being offered, higher prices and fewer new products being developed.

Mike Walker, Chief Economic Advisor, said:

These are vital technologies bought on behalf of vulnerable people by the NHS, charities and schools.

We believe that the merger could stifle innovation and lead to less choice. We will launch a further in-depth investigation if the companies fail to address our concerns.

Protecting vulnerable consumers is at the heart of the CMA's [Annual Plan](#), as reflected by its other recent work in areas such as [funerals](#), [care homes](#) and [online gambling](#).

Tobii and Smartbox now have until 1 February 2019 to offer solutions to resolve the CMA's concerns, otherwise the merger will be referred for a Phase 2 investigation.

More information can be found on the [Tobii / Smartbox case page](#).

[News story: From Scotland to Canada: Burns night boost for haggis exports](#)

Tonight (Friday 25 January), Scots in Canada will be celebrating Burns Night with a hearty serving of haggis, thanks to the rise in exports from Scotland's largest producer of the iconic meat pudding.

Burns Night celebrations often include a supper with Scotland's national dish haggis, which Burns himself referred to as the 'great chieftain o the puddin'-race'. This is usually washed down with a wee dram of Scotch Whisky – 21.1% of all UK food and drink exports in the year ending November 2018.

Macsween made history in 2017 when it became the first company to export the dish to Canada since 1971, after developing a new recipe that meets the country's food safety regulations.

Canada is Macsween's biggest foreign export market, where the company shipped £25,000 worth of haggis this January. With 4.7 million Scots living in the country, Macsween haggis is available in new English and French language packaging for Canada.

International Trade Secretary Dr Liam Fox MP said:

Macsween's success in Canada is great news at a time when UK exports are at a record high. In the year ending September 2018, exports from Scotland increased by 6.2% to £29.6 billion, the highest rise in the UK. The company's international success is a testament to the high-quality produce in the UK and is showcasing the best of Scottish food and entrepreneurial success this Burns Night.

I encourage other UK food and drink companies to consider exporting their products and reach out to leading trade advisers in my international economic department who are providing support to businesses as they enter the global marketplace for the first time.

Secretary of State for Scotland David Mundell MP said:

Haggis is the centrepiece of every Burns Night celebration, and I am proud to see Scotland's own Macsween Haggis contributing to the UK's ever-growing food and drink industry, which is a global success.

I urge more companies to take advantage of the opportunities available to enter new markets and meet the demand for high-quality Scottish produce both at home and internationally.

Macsween produces a range of haggis products including gluten-free, vegan and vegetarian haggis, so there's a seat at the table for everyone this Burns Night no matter your dietary requirements.

With 60 employees in its Loanhead factory, Macsween manufactures 1,900 tonnes

of haggis yearly for countries including Singapore, Dubai, France, Germany and the USA.

The company has seen a 30% increase in sales and is forecast to reach a turnover of £1.7 million in January alone due to the global demand for high quality haggis.

James Macsween, Managing Director of Macsween Haggis, said:

We always wanted to enter the Canadian market given the population of Scottish expats living there. Luckily, we were able to develop a new recipe to meet Canadian regulations in 2017. Since then, we've had great success and now have customers in Canada sending us photos of Macsween haggis in their local supermarkets.

I would advise other Scottish food and drink businesses to consider exporting their products, no matter how small your company is. We've always been one to punch above our weight and we've seen numerous benefits of this. There is support out there, and our contacts in the UK Government have been brilliant in opening doors for us.

[Press release: Remains of Captain Matthew Flinders discovered at HS2 site in Euston](#)

Archaeologists working on the HS2 project in St. James's burial ground, Euston, have discovered the remains of Captain Matthew Flinders, the Royal Navy explorer who led the first circumnavigation of Australia and is credited with giving the country its name.