

News story: Pest control merger may raise competition issues

Market leader Rentokil completed the takeover of its close rival Mitie in September 2018. The firms are two of the leading suppliers of pest control services in the UK to commercial customers.

After opening an investigation into the merger, the Competition and Markets Authority (CMA) has today issued its phase 1 decision. Having considered a wide range of evidence, it has found there could be a substantial reduction in competition, which may lead to higher prices or reduced quality for customers that primarily use a single provider across the whole or a large part of the UK.

This is because Rentokil and Mitie are 2 of the 4 major suppliers at this level, with a large combined market share. The CMA has found that it is unlikely that other companies will expand or enter the market in a timely manner and offset the loss of competition caused by the merger.

Rentokil must now offer proposals to address these concerns by 23 April or face an in-depth Phase 2 investigation into the merger.

Further details are available on the [investigation case page](#).