Press release: £1.71m fine for laundry companies found to be market sharing

It follows enforcement action by the Competition and Markets Authority (CMA) against the companies known today as 'Micronclean Limited' and 'Berendsen Cleanroom Services Limited'.

The specialist laundry services they supply include the cleaning of garments worn by people working in 'cleanrooms'. These are highly sanitised environments used by businesses such as pharmaceutical and medical device manufacturers as well as NHS pharmacies.

Both businesses had been trading under the 'Micronclean' brand since the 1980s in a longstanding joint venture agreement. In May 2012 the companies entered into new, reciprocal trademark licence arrangements under which they agreed not to compete against each other.

Under the agreement, Micronclean Limited served customers in an area north of a line drawn broadly between London and Anglesey, and Berendsen Cleanroom Services Limited served customers located south of that line. The companies also agreed not to compete for certain other customers, irrespective of their location.

Market-sharing arrangements like these are generally illegal under competition law. For customers, these arrangements prevented them from shopping around to get a better deal and that can lead to higher prices, less choice and less innovation in the market.

In reaching its decision, the CMA considered whether the wider joint venture between the companies, including any benefits which flowed from it, meant that these market-sharing arrangements were necessary or justified. The CMA concluded that they were not.

Ann Pope, CMA Senior Director for Antitrust Enforcement, said:

Market-sharing agreements are well established and serious breaches of competition law.

Organisations like the NHS rely on the cleanroom laundry services provided by these companies, but we have found the 2 biggest players were dividing customers between them, leaving those customers with very little choice in service provider.

Companies must regularly check their trading arrangements, including long-running joint ventures and collaborative agreements, to make sure they're not breaking the law. The entry into new trade mark licence agreements in 2012 was an opportunity for the businesses to consider the competition law implications of their commercial arrangements.

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. For CMA updates, follow us on Twitter @CMAgovuk, Facebook, Flickr and LinkedIn.

2. The suppliers involved were:

- Micronclean Limited, known prior to 1 July 2016 as Fenland Laundries Limited (Fenland); and
- Berendsen Cleanroom Services Limited, known prior to 15 September
 2015 as Micronclean (Newbury) Limited (Berendsen Newbury).
- 3. The total fine for Micronclean Limited was £510,118. The total fine for Berendsen Cleanroom Services Limited was £1,197,956. As the parent company of Berendsen Cleanroom Services Limited for the latter part of the period during which the law was broken, Berendsen plc is jointly and severally liable for £1,028,671 of Berendsen Cleanroom Services Limited's fine.
- 4. The case concerns the period from signature of the trademark licences on 30 May 2012 until the trademark licences were terminated and the related joint venture was disbanded on 2 February 2016.
- 5. The non-confidential decision will be published on the <u>case page</u> in due course following the redaction of commercially sensitive information.
- 6. The case came to the CMA's attention in the context of 2 related merger reviews. The CMA investigated and cleared a merger between the joint venture vehicle then jointly owned by Fenland and Berendsen Newbury, ie Micronclean Limited (since re-named, as of 1 July 2016, Fenland Laundries Limited), and Guardline Technology Limited. The CMA also investigated a proposed merger between Fenland and Fishers Cleanroom, which was ultimately abandoned.
- 7. For more information on how to achieve compliance with competition law, see the CMA's <u>guidance for businesses</u>. The CMA has also produced a series of <u>animated videos</u> explaining the main principles of competition law and how they affect small businesses.
- 8. Any businesses or individuals that have concerns about competition law can contact CMA by email (general.enquiries@cma.gsi.gov.uk) or by phone (020 3738 6000).

9. Media enquiries to the CMA should be directed to press@cma.gsi.gov.uk or 020 3738 6633.

Press release: Welsh Secretary continues engagement on EU exit in Wales

The UK Government will continue its unprecedented level of engagement on EU Exit in Wales, when the Secretary of State for Wales Alun Cairns convenes the fourth meeting of his Expert Panel in Cardiff today (Thursday 14 Dec).

Alun Cairns will gather representatives from the business, agriculture and third sectors in Wales at Caspian Point to discuss their priorities for Brexit and to update them on negotiations and the progress of the Withdrawal Bill.

Secretary of State for Wales Alun Cairns said:

It is vital that we have open and honest conversations about what Wales — and the UK as a whole — should look like after our exit from the European Union. This includes discussing the challenges that we may face along the way, and the opportunities that await us at the finish line.

That is why I am working with an Expert Panel of stakeholders to examine the implications of EU exit for Wales across all sectors.

As we proceed through the negotiations we will go on hearing from these important partners, to ensure that our discussions are informed by the views of every region of the UK, and each sector of our economy.

The Withdrawal Bill is a key piece of legislation in the national interest which will convert EU law to UK law on exit day, ensuring we leave the EU with certainty, continuity and control. The Bill is expected to complete Commons committee stage before Christmas.

The Secretary of State for Wales established the Expert Panel to work with him to deliver a smooth and orderly exit from the EU in Wales. The fourth meeting today builds on the constructive conversations they have already had, helping to contribute to the UK's negotiating position.

News story: The Sun Military Awards are back to salute the Armed Forces

Tonight, the milestone ceremony was attended by celebrities, entertainers and politicians who recognised the excellence of the Armed Forces.

The special ceremony recognised the hard work and bravery of UK servicemen and women. It was hosted by television presenter Lorraine Kelly at the historic Banqueting House in Whitehall, London.

She was joined by celebrities from the worlds of sport, entertainment and politics.

Earlier in the day, the Defence Secretary Gavin Williamson hosted the nominees at a special reception at 10 Downing Street.

Defence Secretary Gavin Williamson said:

This is our chance to honour all those who keep us safe. They truly are the best of British.

This year's nominees received awards such as Best Reservist — honouring individuals who have gone above and beyond from any branch, at home or abroad. Also featured was the Overcoming Adversity award which recognises an individual who has rose above substantial obstacles in their life and continued their exceptional service despite it.

During tonight's awards, the RAF Reaper Force won the Hero Overseas Unit award for its commitment to defeating Daesh and saving countless lives. Alongside this, members of SPEAR 17 were awarded the Inspiring Others award for becoming the first all British military team in history to complete a full unsupported traverse of Antarctica.

SPEAR 17, said:

We are blown away. It's so nice to have the recognition ourselves and everybody else for all the dedication and hard work we all do. Thank you to everybody.

Prime Minister Theresa May presented the Award for Special Recognition to Operation Ruman where service personnel helped to provide relief to the British Overseas Territories in the Caribbean following the devastation of Hurricane Irma.

Also awarded was Lieutenant Jared Bambridge who displayed exceptional gallantry in June when a terror attack struck in London, by treating 11 casualties and saving multiple lives off duty.

Lieutenant Jared Bambridge said:

I don't consider what I have done to be the exception or anymore than what anyone else would have done with the training that I have, so I am honoured to accept it on behalf of everybody.

In the military we work hard and we do a lot of thankless tasks, so at the end of the day to have such an event as this put on is a real honour for those thanked few who receive awards or just get nominated for the evening.

Corporal Phillip Keogh received the Best Reservist award after he volunteered to go into the aftermath of the terror atrocity at Manchester Arena. He used his skills as a paramedic to deliver life-saving care and his dedication and bravery saved multiple lives.

Corporal Philip Keogh said:

I was obviously questioning my ability whether I would be able to achieve what we thankfully did achieve on that night. And definitely the training you receive both as a reservist and then as a civilian paramedic, that kicked in. I've never been prouder to be from Manchester

The recognition this award is bringing is a little bit uncomfortable for me. I was one of nearly 300 staff deployed that day from the ambulance service. For me this belongs to everybody. And its not just the people in my uniform as a paramedic but there were civilian guys there, police, British Transport Police, and Greater Manchester Police. They all chipped in.

Hero at Home - Individual

Lieutenant Jared Bambridge, 1st Battalion the Yorkshire Regiment, Army

Best Reservist

Corporal Phillip Keogh, 355 Medical Evacuation Unit, Army

Hero at Home - Unit

Southern Diving Unit 2, Royal Navy

Overcoming Adversity

Former Senior Aircraftman Luke Wigman and former Captain Ibi Ali, RAF Regiment, RAF, and The Yorkshire Regiment, Army

Hero Overseas - Individual

Leading Seaman Sally Hughes, HMS Dragon, Royal Navy

Hero Overseas - Unit

UK Reaper Squadron, RAF

Inspiring Others

SPEAR 17, Army

Innovation Award

Warrant Officer Paul Moonan, Royal Navy

Judges' Award for Special Recognition

Operation Ruman

Support to the Armed Forces

Veterans with Dogs

Press release: Alistair Burt calls for urgent and unhindered humanitarian access to Eastern Ghouta

Calling for urgent and unhindered humanitarian access to the Syrian enclave of Eastern Ghouta, Alistair Burt, Minister of State for the Middle East, said:

One year on from the fall of Aleppo, it is appalling that the Asad regime's callous 'surrender or starve' tactics are still being used across Syria in a blatant breach of international humanitarian and human rights law.

Despite being a so-called de-escalation zone, an estimated 400,000 people trapped in Eastern Ghouta are suffering from indiscriminate airstrikes and artillery shelling which, as well as destroying their homes, have struck

schools and medical facilities.

The Asad regime has made aid a weapon of war by restricting humanitarian access to the besieged population. Because of these restrictions and increased violence, the humanitarian situation has rapidly deteriorated over the last three months. Around 500 people are in desperate need of medical evacuations — including 137 children — and 12 people have already died waiting for treatment.

The UK strongly condemns recent attacks and the continued siege of Eastern Ghouta. We urgently call on all parties to the conflict to facilitate humanitarian access, allow for emergency medical evacuations and take all feasible measures to protect civilians, as required under international humanitarian law.

We continue to press the Asad regime and its backers for unhindered access, and stand ready to deliver the life-saving assistance that is so desperately needed. Without a political solution to the conflict, this is the only way to alleviate the dire humanitarian situation in Eastern Ghouta.

<u>Press release: New UK aid support for South Sudan</u>

Minister for Africa Rory Stewart has announced an additional £52 million humanitarian package to help the communities — including refugees and internally displaced people — impacted by the ongoing conflict in South Sudan.

The funding — which will provide much-needed food, shelter and support — comes as peace talks begin to find a resolution to the conflict, now entering its fourth year.

The £52 million package announced today from the Department for International Development will support those fleeing the conflict in South Sudan and help Sudan, Uganda and Ethiopia — some of the world's poorest countries — to cope with the largest refugee crisis in Africa.

Since the beginning of the conflict, four million South Sudanese have left their homes, of which up to 85% are women and children. Over a third of the population -4.8 million people - do not have secure access to food. The UK is working in South Sudan to tackle both the causes and the consequences of the conflict.

The High-Level Revitalization Forum (HLRF) will convene on Monday to begin the peace talks in Addis Ababa, to be led by neighbouring African countries including Ethiopia, Uganda, Kenya, and Sudan. The UK is working closely with the region and the wider international community to bring all the relevant parties back to the table to agree an inclusive political settlement.

Minister for Africa for the Foreign Commonwealth Office and the Department for International Development, Rory Stewart, said:

The people of South Sudan continue to suffer at the hands of a dire security, human rights and humanitarian crisis, caused by the ongoing conflict in their country. But the scars of this war can be felt right across the region.

This support package will help South Sudan and its neighbours provide thousands of displaced people with the lifesaving medicines, shelter, food and sanitation that are so desperately needed.

The much-needed support to those fleeing conflict and instability in South Sudan will include:

- Shelter, education, food and sanitary provision to 50,000 South Sudanese refugees every year for the next five years, and livelihoods support for 30,000 South Sudanese refugees, in Sudan.
- Food assistance to 950,000 refugees from the country living in Uganda.
- Critical healthcare, treatment for malnutrition and clean water to 450,000 South Sudanese refugees in Ethiopia
- Up to 500,000 people in South Sudan will be helped with a range of interventions including emergency food, medicine and shelter, improved health and sanitation, as well as seeds, tools and fishing kits to help people feed their families by ensuring they can maintain their livelihoods.

The UK has played a leading role in the global response to the crisis, providing lifesaving aid, deploying peacekeepers to provide vital engineering and medical assistance to the UN Mission of South Sudan, and working with international partners to build a genuine and sustainable peace.

Minister for Africa Rory Stewart added:

The UK can be proud of the important work we are doing in South Sudan, addressing both the causes and the consequences of this conflict — from the dedication of British diplomats, to aid workers providing food and water, and the nearly 300 British military personnel building vital roads and infrastructure in difficult circumstances. Crucially, we are helping the country prepare for a future free from conflict.

Now we need to see real progress from the peace process. Our expectations are clear — all parties must end hostilities and full humanitarian access must be granted, so we can help innocent people

caught up in the conflict.

Ends

This £52m funding package is made up of:

- £10m for at least 500,000 interventions in South Sudan such as emergency food, medicine and shelter, improved health and sanitation, as well as seeds, tools and fishing kits to help people feed their families and maintain their livelihoods.
- £15m to provide 950,000 South Sudanese refugees who have fled to Uganda with essential food supplies or cash equivalent.
- £8m to provide 450,000 South Sudanese refugees in Ethiopia with critical healthcare, treatment for malnutrition, shelter, clean water and sanitation.
- £19m to provide essential humanitarian assistance to over 50,000 South Sudanese refugees who have fled to Sudan every year for the next five years, including livelihoods support for 30,000 refugees.