



## **DETERMINATION OF MERGER NOTIFICATION M/06/004 – Morgan Stanley/Lloyds TSB (The Goldfish Business)**

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### **Section 21 of the Competition Act 2002**

### **Proposed acquisition by Morgan Stanley Bank International Limited of the Goldfish Business of Lloyds TSB**

**Dated 16/02/2006**

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### **Introduction**

1. On 20<sup>th</sup> January 2006 the Competition Authority, in accordance with Section 18 (1) of the Competition Act, 2002 (“the Act”) was notified, on a mandatory basis, of a proposal whereby Morgan Stanley Bank International Limited (“MSBIL”) would acquire certain assets of the Goldfish Business of Lloyds TSB.

### **The Undertakings Involved**

2. MSBIL is a company registered in England. The principal activity of MSBIL is the provision of financial services to corporations, governments, financial institutions and individuals. Such financial services include the provision of credit cards, loans and loan facilities, repurchase tendering to the European Central Bank and trading in loans and financial instruments, including derivative contracts. MSBIL’s ultimate parent and controlling entity is Morgan Stanley, a company incorporated in Delaware in the United States. Morgan Stanley is a global financial services firm quoted on the New York Stock Exchange. Morgan Stanley’s turnover in the State for the year ended 30 November 2004 was €[less than 100] million.
3. The Goldfish Business is a business division operating within Lloyds TSB. The core business of the Goldfish Business is the issuance and operation of personal credit cards in the UK. The Goldfish Business also provides insurance intermediary services, in that the Goldfish Business distributes certain forms of insurance, which are ultimately provided either by insurers who are members of the Lloyds TSB Group or by third party insurers. The Goldfish Business also provides personal loans, although the existing Goldfish personal loans portfolio will not be acquired by MSBIL. The Goldfish Business does not carry on business in the State and thus has no

turnover in the state. None of the services provided by the Goldfish Business are available to persons resident outside of the UK. The worldwide turnover of the Goldfish Business in 2004 was c. €[less than 500 million]. In the same period it generated €[less than 1 million] in Northern Ireland.

### **Analysis**

4. There is no overlap between the undertakings involved in the State, since the Goldfish Business does not carry on any business in the State. Thus the proposed transaction does not give rise to competition concerns.

## **Determination**

The Competition Authority, in accordance with Section 21(2) of the Competition Act, 2002, has determined that, in its opinion, the result of the proposed acquisition by Morgan Stanley Bank International of certain assets of the Goldfish Business from Lloyds TSB Bank plc will not be to substantially lessen competition in markets for goods and services in the State and, accordingly, that the acquisition may be put into effect.

**For the Competition Authority**

**Dr Paul K. Gorecki**  
**Member of the Competition Authority**