



The Competition Authority
An tÚdarás Iomaíochta

MERGER ANNOUNCEMENT **14 JANUARY 2011**

Competition Authority to carry out Full Investigation of Stena's acquisition of Certain Assets from DFDS

The Competition Authority has decided to carry out a full (phase 2) investigation in relation to the proposed transaction whereby Stena AB, through its subsidiary Stena Line UK Limited, would acquire certain assets from DFDS A/S. The assets include vessels, related assets, inventory, employees and contracts relating to the services currently operated by DFDS A/S, through its subsidiary DFDS Seaways Irish Sea Ferries Limited. These assets relate specifically to the business to be acquired by Stena Line (UK) Limited, namely passenger and freight transport services on the Irish Sea between Belfast and Liverpool and between Belfast and Heysham.

Following a preliminary investigation, the Competition Authority is unable to conclude that the acquisition will not substantially lessen competition in markets for goods or services in the State without carrying out a full investigation. The companies have been informed of the decision that the Competition Authority intends to carry out a full investigation in relation to the proposed transaction. The Competition Authority has until 13 April 2011 to make a final decision on the proposed transaction (but may conclude its investigation in advance of this date).

Interested parties are invited to make submissions no later than **5:00pm on Friday 4 February 2010**. Parties making submissions should indicate clearly what, if any, of the material submitted contains business secrets. Submissions should be marked "**M/10/043 – Stena/DFDS**" and should be addressed to Andrew Rae, Mergers Division, The Competition Authority, Parnell House, 14 Parnell Square, Dublin 1 or sent by e-mail to ar@tca.ie

For further information contact:

Clodagh Coffey, Communications Manager, The Competition Authority
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Notes

Stena AB, based in Goteborg, Sweden, is involved, is through its subsidiaries, in various activities including international and domestic sea-based passenger and freight ferry services.

Stena Line (UK) Limited and its subsidiaries currently operate ferry services routes across the Irish Sea, in particular: (i) Rosslare to Fishguard, (ii) Dublin to Holyhead, (iii) Dun Laoghaire to Holyhead, and (iv) Belfast to Stranraer. Stena Line (UK) Limited also operated on the Larne to Fleetwood route until 31 December 2010.

DFDS A/S, based in Copenhagen, Denmark, is involved in sea-based freight and passenger transport in Northern Europe.

The assets to be acquired relate specifically to the business to be acquired by Stena Line (UK) Limited, namely passenger and freight transport services on the Irish Sea between Belfast and Liverpool and between Belfast and Heysham. These assets include vessels, related assets, inventory, employees and contracts relating to the services currently operated by DFDS A/S, through its subsidiary DFDS Seaways Irish Sea Ferries Limited.

Prior to December 2010 there were fifteen ferry service routes across the Irish Sea and six ferry companies, each providing services on one or more (but not all) of the fifteen routes. The routes, prior to December 2010, with operators providing services, are between:

- Larne and Troon – P&O;
- Larne and Cairnryan – P&O;
- Larne and Heysham - Seatruck;
- Larne and Fleetwood – Stena;
- Belfast and Stranraer – Stena ;
- Belfast and Heysham - DFDS;
- Belfast and Liverpool/Birkenhead - DFDS;
- Warrenpoint and Heysham - Seatruck;

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- Dublin and Heysham - DFDS;
- Dublin and Liverpool/Birkenhead – DFDS, P&O, Seatruck;
- Dublin and Holyhead - Irish Ferries and Stena;
- Dun Laoghaire and Holyhead – Stena;
- Rosslare and Fishguard – Stena;
- Rosslare and Pembroke – Irish Ferries; and,
- Cork and Swansea – Fastnet;

The proposed acquisition by Stena AB from DFDS A/S implies a change of operator on the routes between Belfast and Heysham and between Belfast and Liverpool.

On 24 December 2010 Stena AB ceased operations between Larne and Fleetwood.

DFDS, on 13 January 2011, announced its decision to withdraw services from its two remaining Irish Sea routes, from Dublin to Birkenhead and Dublin to Heysham.

The transaction was notified to the Competition Authority on 17 December 2010. Prior to receiving the notification, on 2 December 2010, Stena AB informed the Competition Authority that it had completed this acquisition.

On 21 December 2010 the Competition Authority stated that by implementing the acquisition of certain assets of DFDS A/S before receiving clearance from the Competition Authority, Stena AB (Stena) and DFDS A/S, have infringed section 19(1) of the Competition Act 2002. Consequently, as provided for by section 19(2) of the Act, this acquisition is void. See <<http://www.tca.ie/EN/News--Publications/News-Releases/Stena-Acquisition-of-Certain-Assets-of-DFDS-AS-Void--.aspx>>

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