

Chief Executive
Exeter City Council
Civic Centre
Paris Street
Exeter
Devon EX1 1JN

From: Gail Sugden
Inquiry Coordinator
Email: gail.sugden@competition-commission.gsi.gov.uk
Julie.hawes@competition-commission.gsi.gov.uk
Direct line: 020 7271 0145

Our ref: TP/GWR

5 October 2005

Dear Chief Executive

Proposed Acquisition of the Greater Western Passenger Rail Franchise

The Office of Fair Trading (OFT) has referred to the Competition Commission for investigation and report three cases concerning the Greater Western passenger rail franchise. These are its proposed acquisition by:

1. FirstGroup plc
2. National Express Group PLC and
3. Stagecoach Holdings plc.

I enclose a copy of the terms of reference for each inquiry and the accompanying press release. The Commission is required to publish its report by 16th March 2006.

The Commission is required to consider:

- (a) whether in each case the proposed acquisition may be expected to result in a substantial lessening of competition, particular concern being on the supply of passenger transport services on point to point routes within the area covered by the Greater Western Passenger Rail Franchise;
- (b) if so, what action should be taken to remedy such a substantial lessening of competition, or any other adverse effects resulting from it. In considering any remedies, we would also have to have regard to the effect of any such action on any relevant customer benefits resulting from the merger.

The Commission is now seeking views from interested parties. I am writing to ask if you wish to make any representations or provide information on any matters relevant to this inquiry. If so, I would welcome a response by Friday 21st October 2005. It will greatly assist the Commission to meet the tight inquiry timetable if you could treat this date as a deadline. Wherever practicable, *please arrange for all correspondence to be sent to us electronically at one of the above addresses*, or on a disc compatible with Microsoft Office 2002 programmes, including Word and Excel.

Among the considerations on which you may like to comment are:

- (a) the relevant market; whether, for example, the supply of public transport services on point to point routes in the Greater Western region or any particular area(s) within the GW