

Present:

Gary Thorpe (Chairman)		GT
Paul Arathoon		PA
Philippa Chatterton		PC
Jo Chattle		JC
Simon Cox		SC
Stephen Hamilton		SH
David Hicks		DH
Martin Kay		MK
Nicola Mallett		NM
Maegen Morrison		MM
Donald Stewart		DS
Lisa Vainio		LV
Callum Anderson (minutes)		CAn

In attendance:

Cleo Alliston	(Competition and Markets Authority)	CA
Daniel Okusaga	(Lexis Nexis)	DO
Jaspal Sekhon	(Charles Russell Speechlys LLP)	JS
Jane Wang	(Fasken Martineau LLP)	JW

1. WELCOME TO CLEO ALLISTON, COMPETITION AND MARKETS AUTHORITY (CMA)

GT welcomed CA to the meeting.

CA gave an overview of the context in which the CMA was established. She outlined the CMA’s statutory duties, its mission and ambition, emphasising the CMA’S commitment to objectivity during the conduct of its work.

CA explained that the main reason why the CMA would investigate a merger is if it judges that a prospective merger could result in a substantial lessening of competition within a market(s) for goods and services in the UK. She briefly outlined the process that the CMA undertakes to determine whether a merger diminishes competition in a market, highlighting the specific differences between the two phases.

CA mentioned that the first phase can take up to forty working days to complete. Subsequently, she emphasised that the pre-notification period – where the CMA conducts a market study – plays a key part in the CMA’s analysis of whether there is any pressure of competitiveness on a market. She added that the second phase gives the CMA more powers to stop a merger from taking place.

CA provided a few suggestions as to how companies and their advisers can best liaise with the CMA when initiating a merger, including engaging with the CMA as early as possible and giving the CMA the maximum time to conduct a market study during the pre-notification period.

She added that companies and their advisers should seek to build a good relationship their case handlers, to facilitate an open and honest environment.

CA clarified that the CMA never discloses any information that is not already in the public domain and explained that the pre-notification period almost always begins after the intention to merge has been made public.

GT thanked CA for attending the meeting.

2. APOLOGIES

Apologies were received from Sandra Bates, Ross Bryson, Andrew Collins, David Davies, Sarah Hassan, Tara Hogg, Mark Howard, Julie Keefe, Eleanor Kelly, June Paddock, Mark Taylor, Tim Ward and Ben Warth.

3. MINUTES OF THE LAST MEETING (29 September 2016)

The minutes were approved.

4. CURRENT ISSUES

	Document	Action by LEG
a)	<p>Market Abuse Regulation (MAR)</p> <p>GT noted that ESMA had published guidelines on market soundings and the delay in the disclosure of inside information.</p> <p>LV explained that the European Commission, following discussions with the QCA, had decided to take no action regarding the interaction between MAR and MiFID II in relation to SME Growth Markets and the costs of producing insider lists.</p> <p>She added that the QCA would be meeting with the FCA to discuss the MAR implementation process and the Dealing Code.</p>	None at this stage.
b)	<p>Prospectus Regulation</p> <p>LV mentioned that the political trilogues had begun on 27 October 2016 – a few days later than initially planned.</p>	None at this stage.

5. COMMUNICATIONS AND FUTURE MEETINGS

	Document	Action by LEG
a)	<p>Policy Update (August 2016)</p> <p>This was not discussed; for information only.</p>	None to note.
b)	<p>Guest invitations to future meetings</p> <p>GT noted that the Expert Group had already given several suggestions for future guests at the previous meeting.</p>	None to note.

6. AOB

The Expert Group recorded its thanks to Maria Gomes for her invaluable assistance towards the work of the Expert Group and wished her well for her maternity leave.

Date for next meeting: Thursday 1 December 2016, 8.45am, Charles Russell Speechlys LLP, 5 Fleet Place, London, EC4M 7RD (Host: Paul Arathoon/Tom Shaw).