

2001 No. 318

COMPETITION

**The Merger Report (Interbrew SA and Bass PLC)
(Interim Provision) Order 2001**

Made - - - - - 8th February 2001

Laid before Parliament 8th February 2001

Coming into force - - 12th February 2001

Whereas the Secretary of State, in the circumstances specified in subsection (1) of section 73 of the Fair Trading Act 1973(a) has under consideration the making of an Order under that section exercising powers specified in Schedule 8 to that Act for the purpose of remedying or preventing the adverse effects specified in the report of the Competition Commission entitled “Interbrew SA and Bass PLC: A report on the acquisition by Interbrew SA of the brewing interests of Bass PLC(b)”;

And whereas, with a view to achieving the purpose for which the Order which he has under consideration as aforesaid is proposed to be made, the things specified in articles 2 and 3 of this Order should be done:

Now, therefore, the Secretary of State, in exercise of the powers conferred on him by sections 89(2), (3)(a), (b) and (bb) and 90 of the said Act(c) and with a view to achieving the purpose for which the powers specified in Part II of Schedule 8 to the said Act are proposed to be exercised by the Order which he has under consideration as aforesaid, hereby makes the following Order:

Citation, commencement and interpretation

1.—(1) This Order may be cited as the Merger Report (Interbrew SA and Bass PLC) (Interim Provision) Order 2001 and shall come into force on 12th February 2001.

(2) In this Order—

“Bass” means Bass Holdings Limited (formerly a subsidiary of Bass PLC) and any interconnected body corporate of Bass Holdings Limited incorporated in a part of the United Kingdom or carrying on business in the United Kingdom (other than Interbrew);

“the Businesses” means those assets and businesses of Bass in the United Kingdom used in the production for supply of beer in Great Britain or for the supply of beer in Great Britain;

“the Director” means the Director General of Fair Trading; and

“Interbrew” means Interbrew SA, Interbrew UK Limited and any other member of the Interbrew group of interconnected bodies corporate which owns or controls the assets acquired from Whitbread PLC.

(a) 1973 c. 41.

(b) Cm. 5014.

(c) Section 89(2) was amended by the Companies Act 1989 (c. 40), sections 153 and 212, Schedule 20 paragraph 15(2) and (4) and Schedule 24. Paragraph (bb) of sub-section (3) of section 89 was inserted by the Companies Act 1989 section 153, Schedule 20, paragraph 15(3) and (4).

Interim Provisions

2. To the extent that when this Order comes into force the Businesses are separately organised from the business of Interbrew:

- (i) the Businesses shall be maintained as a viable going concern;
- (ii) no step shall be taken to integrate the Businesses with the business of Interbrew; and
- (iii) the Businesses shall not be transferred to any other person.

3. Without prejudice to the generality of article 2:

- (i) except with the prior written consent of the Director, the nature, description, range and standard of goods offered by the Businesses in Great Britain immediately before their acquisition by Interbrew shall be maintained and preserved;
- (ii) the goods referred to in paragraph (i) above shall be distinguishable, by name, trademark or otherwise, from any other goods offered by Interbrew in Great Britain;
- (iii) subject to paragraph (v) below, the assets, including production, wholesale and distribution facilities, brands and goodwill, of the Businesses shall be maintained and preserved;
- (iv) the number and locations of the outlets of the Businesses shall be preserved;
- (v) except with the prior written consent of the Director, no assets used in the operation of the Businesses shall be disposed of, and no interest in such assets shall be created or disposed of, other than in the ordinary course of business of the Businesses;
- (vi) without prejudice to the generality of paragraph (v) above, no right or interest in any brand relating to the Businesses shall be disposed of and all such rights and interests shall be maintained; and
- (vii) all necessary steps shall be taken to maintain all existing licences and approvals and to obtain those required for the purposes of the Businesses.

4. Interbrew and Bass shall provide the Director with such information as he may require for the purposes of monitoring the compliance of Interbrew and Bass with this Order and the Director is hereby empowered to require Interbrew and Bass to take such steps as appear to him to be necessary to ensure compliance with this Order.

Stephen Byers

8th February 2001

Secretary of State for Trade and Industry

EXPLANATORY NOTE

(This note is not part of the Order)

This Order prohibits Interbrew SA, Interbrew UK Limited and any other member of the Interbrew group (collectively referred to as “Interbrew”) and Bass Holdings Limited (“Bass”) (formerly a subsidiary of Bass PLC) from doing things which might impede the operation of an Order which the Secretary of State has under consideration for the purpose of remedying or preventing the adverse effects specified in the Competition Commission report on the acquisition by Interbrew SA of the brewing interests of Bass PLC (Cm. 5014, obtainable from Her Majesty’s Stationery Office). In particular, it requires Interbrew and Bass to maintain the business of Interbrew separately from that of Bass.

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