



COMPETITION APPEAL TRIBUNAL

SUMMARY OF APPLICATION UNDER SECTION 120 OF THE ENTERPRISE ACT 2002

CASE No: 1070/4/8/06

Pursuant to rule 15 of the Competition Appeal Tribunal Rules 2003 (“the Rules”), the Registrar of the Competition Appeal Tribunal (“the Tribunal”) gives notice of the receipt of a notice of application, on 21 July 2006, under section 120 of the Enterprise Act 2002 (“the Act”), by Stericycle International LLC, of 28161 North Keith Drive, Lake Forest, Illinois 60045, USA, Stericycle International Limited, of Knostrop Treatment Works, Leeds LS9 0PJ, and Sterile Technologies Group Limited of 430 Western Industrial Estate, Naas Road, Dublin 12, Ireland (collectively referred to as “the applicants”), challenging a decision (“the Decision”) by the Competition Commission (“the CC”), notified to Stericycle on 18 July 2006, in the form of an interim order under section 81 of the Act (“the interim order”).¹

The applicants contest paragraph 2(j) of the interim order insofar as it requires the applicants to procure the assignment or secondment of employees of the applicants so as to create separate teams to carry out certain functions separately on behalf of each of the merged enterprises (“the separate teams provision”).

The applicants submit that the interim order, insofar as it imposes the separate teams provision, is beyond the CC’s powers under section 81(2) of the Act and/or is disproportionate and unreasonable.

In summary, the applicants make the following submissions:

1. Section 81 of the Act cannot be used to undo pre-emptive action that has already occurred.
2. The CC’s explanation of why the separate teams provision is said to fall within section 81 of the Act does not enter into anything other than generalities and no attempt is made to deal with the detailed submissions of the applicants.
3. The CC has suggested that the separate teams provision seeks to prevent the dissemination of confidential information relating to both the merged businesses among the integrated teams; yet if confidential information has not disseminated by now (after several months of integration) there is no reason to suppose that it will be disseminated over the next few weeks.
4. The CC has expressed concern that without the separate teams provision there would be a risk that the merged business might run down one brand so as to render it less attractive to potential purchasers on divestment and weaken it as a potential competitor; yet it is entirely unclear how the separate teams provision might assist in that respect.
5. The separate teams provision is unnecessary. The applicants have told the CC that they are happy to undertake to preserve the *status quo* and that this will allow for separation, should that be ordered by the CC.

Any person who considers that he has sufficient interest in the outcome of the proceedings may make a request for permission to intervene in the proceedings, in accordance with rule 16 of the Rules.

¹ A copy may be found at <http://www.competition-commission.org.uk/inquiries/ref2006/stericycle/index.htm>.

A request for permission to intervene should be sent to the Registrar, The Competition Appeal Tribunal, Victoria House, Bloomsbury Place, London WC1A 2EB, so that it is received **within one week** of the publication of this notice.

Further details concerning the procedures of the Competition Appeal Tribunal can be found on its website at www.catribunal.org.uk. Alternatively the Tribunal Registry can be contacted by post at the above address or by telephone (020 7979 7979) or fax (020 7979 7978). Please quote the case number mentioned above in all communications.

Charles Dhanowa
Registrar

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