



Determination No. M/04/074 of the Competition Authority, 7th January 2005, under Section 21 of the Competition Act, 2002.

Notification No. M/04/074– Royal Bank of Scotland/Kickshaws

Introduction

1. On the 10th of December 2004 the Competition Authority, in accordance with Section 18 (1) of the Competition Act, 2002 (“the Act”) was notified, on a mandatory basis, of a proposal whereby Royal Bank of Scotland (“**RBS**”), acting through its wholly-owned subsidiary Direct Line Group Limited (“Direct Line”) would acquire Kickshaws plc.

The Parties

2. RBS is a global provider of personal banking, small business banking, corporate banking and other financial services. In the State these services are provided by Ulster Bank Limited and its subsidiaries. Ulster Bank has branches throughout the island of Ireland. First Active, a subsidiary of Ulster Bank, is a mortgage and investments provider with a number of outlets in the State.
3. Kickshaws and its subsidiaries are active in two sectors in the UK: stolen vehicle recovery (SVR) and vehicle asset management (VAM). Both sectors focus on enabling the location of vehicles to be tracked. Neither Kickshaws nor any of its subsidiaries have any offices in the island of Ireland.
4. Kickshaws’ has sales in the island of Ireland, but only into Northern Ireland, via a subsidiary TRACKER. TRACKER sells SVR and VAM hardware direct to motor manufacturers and dealerships for sale in Northern Ireland. The Tracker system cannot operate in the State, since the transmission frequency activated in the stolen car is the same frequency as that used by the Garda Síochána for voice communications. ComReg has not granted TRACKER permission to use that frequency in the State.

Analysis

5. Neither RBS nor any of its subsidiaries are active in the area for stolen vehicle recovery and vehicle asset management. As there is no overlap in the parties’ activities, either horizontally or vertically, the precise market definition can be left open. The absence of overlap in the parties’ activities indicates that the proposed acquisition would not substantially lessen competition in any market for goods or services in the State.



The Competition Authority
An tÚdarás Iomaíochta

Determination

The Competition Authority, in accordance with Section 21(2) of the Competition Act, 2002, has determined that, in its opinion, the result of the proposed acquisition will not be to substantially lessen competition in markets for goods and services in the State and, accordingly, that the acquisition may be put into effect.

For the Competition Authority

Edward Henneberry
Member of the Competition Authority

7th January 2005