



## **MEDIA RELEASE**

The **Trinidad and Tobago Fair Trading Commission (“the Commission”)** is aware of media reports concerning the Commission’s approval of a merger transaction involving Smith Robertson & Company Limited, Oscar Francois Limited and Intersol Limited.

### **Overview**

The Commission is an **independent statutory authority** established under the Fair Trading Act 2006 and is tasked with the responsibility of promoting, protecting and maintaining competition in the economy of Trinidad and Tobago.

All proposed merger transactions which meet the relevant statutory thresholds require the Commission’s prior approval pursuant to section 13 of the Fair Trading Act (“FTA”). If the Commission is satisfied that the proposed merger contravenes the FTA, it will refuse permission for the merger or recommend necessary changes. Additionally, where the Commission has reason to believe that two or more enterprises have merged without obtaining permission for the merger, the Commission shall initiate an investigation into the matter and may seek an order for divestment in appropriate circumstances.

The Commission is aware that mergers are a common form of business operations and can result in efficiency and innovation gains not only to the parties involved but also to consumers through favourable supply conditions and possibly lower prices for goods and services. The Commission is concerned with identifying anti-competitive mergers. These are mergers which restrict or distort competition in a market, and they are strictly prohibited under the FTA.

The Commission undertakes a thorough and comprehensive analysis and investigation of each merger application that comes before it. In the course of each investigation, the Commission makes detailed and probing enquiries and also conducts its own independent research, including the obtaining of views of market participants such as suppliers, competitors, consumers and relevant third parties. The Commission will only approve a merger if it is satisfied that the merger would not adversely affect competition or be detrimental to consumers or to the economy.

### **The Referenced Merger**

While the Commission is prohibited from revealing specific information concerning the referenced merger between Smith Robertson & Company Limited, Oscar Francois Limited and Intersol Limited, the Commission nevertheless assures the public that before the

referenced merger was approved, the Commission consulted with relevant stakeholders in the pharmaceutical and health care industry and other regulatory authorities as the Commission needed to be satisfied that the proposed merger transaction would not adversely affect competition or be detrimental to consumers or to the economy. The investigation, review and approval process associated with this particular merger was comprehensive and lasted over four months. Based on the information received from the applicants, all other relevant stakeholders and the Commission's own investigations into the relevant markets, the Commission was satisfied that the referenced merger would not adversely affect competition or be detrimental to consumers or to the economy.

### **Ongoing Monitoring**

The Commission further assures the public that it continues to monitor the local pharmaceutical industry in order to detect and treat with anti-competitive activities such as unfair selling prices, predatory pricing, discriminatory behaviour and abusive increase of prices of essential pharmaceutical products.

The Commission is empowered to investigate any suspected anti-competitive behaviour arising from its own monitoring or from reports made to it. It has strong enquiry powers under the FTA relative to the following issues:-

- i. Anti-competitive mergers;
- ii. Anti-competitive agreements;
- iii. Abuse of dominant position;
- iv. Bid rigging;
- v. Cartels;
- vi. Collusion;
- vii. Market Sharing;
- viii. Price fixing etc.

The Commission encourages any person who is aware of or has reasonable grounds to suspect that any enterprise is engaged in anti-competitive behaviour to report same to the Commission.

### **Providing Information and Guidance**

The Commission is committed to assisting all persons, including those engaged in business and consumers, with understanding the provisions of the FTA and other relevant matters relating to competition and fair trading. Prior to the full proclamation of the FTA, the Commission engaged with all relevant stakeholders in this regard and has continued to do so since the FTA's full proclamation in February 2020. As the Commission continues to develop, it will undertake studies and publish reports and information regarding matters affecting the interests of business and consumers.

Any inquiries or concerns should be directed to the Executive Director of the Commission, Mr. Bevan Narinesingh, using the contact information provided below. Any information provided to the Commission will be regarded as confidential.



### **Contact Us**

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