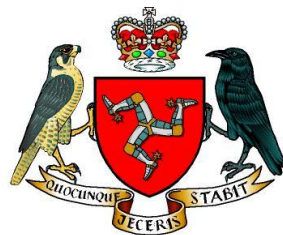


ISLE OF MAN OFFICE OF FAIR TRADING



Isle of Man Office of Fair Trading

CONSULTATION ON COMPETITION POLICY



Isle of Man
Government

Reiltys Ellan Vannin

July 2013

Version 1.0

Page intentionally left blank

Contents Page

INTRODUCTION BY THE CHAIRMAN	5
WIDER CONTEXT	6
CURRENT LEGISLATION	7
FUTURE COMPETITION POLICY – OVERVIEW	10
FUTURE COMPETITION POLICY - POWERS OF INVESTIGATION.....	13
FUTURE COMPETITION POLICY - MERGERS AND ACQUISITIONS	15
FUTURE COMPETITION POLICY - REGULATED SECTORS AND EXEMPT SECTORS.....	16
CONCLUDING REMARKS.....	17
APPENDIX 1 – LIST OF DIRECT CONSULTEES	18
APPENDIX 2 - CONSULTATION ON COMPETITION POLICY – RESPONSE SHEET.....	19

INTRODUCTION BY THE CHAIRMAN



The Isle of Man is a free market economy based on the sound economic principle that competition is good and will operate in favour of everyone. Competition will, if operating effectively, ensure that prices are kept at the lowest level consistent with the long term stability of the markets, market participants will be sustainable as long as they remain efficient, and there will be innovation in products as participants compete for market share. This is, of course, utopia. The reality is that in any economy there are times when in various sectors competition does not work as well as it should. There are occasions where market participants operate inappropriately which is against the interests of the markets and consumers. There are also occasions where participants seek to gain advantage by competing unfairly. In order to address the non performance of some free markets and abuse by participants in those markets, developed economies put in place some form of regulation.

In the Isle of Man that regulation is predominantly effected by the Isle of Man Office of Fair Trading (OFT) through the powers contained in Part 2 of the Fair Trading Act 1996 (as amended). In addition there is some sector specific regulation administered by other bodies such as the Financial Supervision Commission, the Insurance and Pensions Authority, the Communications Commission and the Gambling Supervision Commission.

Whilst regulation is necessary in any economy it is even more important in a micro economy such as the Isle of Man, where issues of scale may result in many natural monopolies and participants enjoying market dominance.

In our [2013/14 Business Plan](#) we advised that we were concerned that our current legislation is outdated and that the OFT does not have at its disposal the tools necessary to enable it to fulfil its duty to ensure that not only do markets work in favour of consumers but also that there is a transparently fair business environment which underpins investment.

This consultative document represents the first step in a process of policy development in this area which may ultimately lead to new primary legislation. There will, of course, be further consultation about the detail of any legislation and this consultation is about the policy principle which will form the building blocks for any new legislation.

We will be delighted to hear the views of both consumers and the business community on this important issue. It would be particularly useful to hear views from those in the business community who have experience of operating in other jurisdictions, and especially other small jurisdictions, with differing approaches to regulation.

The consultation is open until **30th September 2013** and we look forward to hearing your views. It can be completed using the appended [response sheet](#). Alternatively paper copies are available from the OFT.

In order to answer the questions within the consultation paper, simply click on each question and it will take you to the correct area within the response sheet.

David Quirk MHK
Chairman, Office of Fair Trading

WIDER CONTEXT

Although the Isle of Man is not part of either the United Kingdom or the European Union, competition within the Isle of Man market is heavily influenced by what happens in those much larger neighbouring markets. The vast majority of the Island's inbound trade in goods or services is with or via the United Kingdom so we are, in many cases, effectively also importing the outcomes of their competition policies. Add to that the fact that Manx consumers also have access directly to markets in the United Kingdom and beyond via internet shopping, mail order and shopping trips and it can be seen that the competition policies of the United Kingdom have a massive influence in the Island. Equally the United Kingdom itself is not independent in terms of its competition policy and as a Member State of the European Union its policies sit beneath the various European Treaties and notably Articles 101 and 102 of the Treaty on the Functioning of the European Union¹; thus actions taken by the European Union inevitably have a significant impact in the Island.

From a pragmatic rather than legalistic perspective therefore competition in the Island is heavily influenced by external factors. However, this is not a bad thing, because it means that the Island is able to benefit from the outcomes of competition enforcement at both United Kingdom and European Union levels. For example the European Union addressed competition issues relating to Microsoft and the effect of bundling the Internet Explorer (IE) web browser with the Windows operating system. The outcome was changes to the Microsoft products which were delivered into the whole European market including the Isle of Man. Realistically the bundling of products was as much a competition infringement in the Isle of Man as it was anywhere else in Europe but it was never realistic to expect local action against Microsoft.

The role of the OFT in enforcing existing competition legislation and, through this consultative exercise, starting to develop new policy, must be to address the **local** issues which impact negatively upon **local** markets.

¹ <http://eur-lex.europa.eu/LexUriServ/LexUriServ.do?uri=OJ:C:2010:083:0047:0200:en:PDF>

CURRENT LEGISLATION

The Fair Trading Act 1996 (as amended) is based upon a 1980 United Kingdom Act of Parliament which was itself repealed and replaced in 1996. Fundamentally the 1996 Act addresses the issue of competition in two ways – through providing a methodology to address anti-competitive practices (sections 8 to 18) and through a methodology to investigate and ultimately control prices (sections 19 to 19D). A full copy of the Fair Trading Act 1996 (as amended) can be viewed at [click here](#).²

ANTI-COMPETITIVE PRACTICES

Section 8 of the Act defines an anti-competitive practice in the following terms:

'For the purposes of this Part a person engages in an anti-competitive practice if, in the course of business, he pursues a course of conduct which, of itself or when taken together with a course of conduct pursued by another person or other persons, has or is intended to have or is likely to have the effect of restricting, distorting or preventing competition in connection with the production, supply or acquisition of goods in the Island or the supply or securing of services in the Island'.

Whilst the OFT has a good understanding of what is and what is not anti-competitive, and has produced on its website an illustrative list of practices which might be considered to be anti-competitive, it is clear that in the wider community, including the business sector, there is a much lesser level of understanding of the concept. It is worth noting that the key factor in evaluating whether a practice is anti-competitive is the **effect** that it has.

The restriction on anti-competitive practices is not an absolute one because section 8(2) enables the Council of Ministers to exempt particular practices by way of an Order which requires the approval of Tynwald. This is an important provision because there are circumstances where it may be in the national or economic interests of the Island to permit something which might otherwise be anti-competitive.

Section 9 of the Act provides for the investigation of alleged anti-competitive practices by the OFT, upon reference by the Council of Ministers. Over the years there have been a small number of investigations under section 9. The weakness with section 9 is that before it refers a matter to the OFT for investigation the Council of Ministers must be satisfied that there is a course of conduct which **may** be anti-competitive. Inevitably therefore the starting point has to be a complaint about particular behaviour backed up by at least some evidence. Where anti-competitive behaviour does exist it is, by its very nature, covert, so without investigative powers finding even enough evidence to justify a reference may be difficult. In most modern competition law this problem is addressed by providing the regulator with the powers to investigate how markets are functioning and it is these investigations which provide the initial evidence of anti-competitive behaviour.

Section 10 of the Act provides a procedure during or at the end of an investigation for the person whose practice is anti-competitive to give an undertaking to remedy or prevent the effects of the practice happening in the future.

Following on from an investigation under section 9, if the Council of Ministers is of the view that there remains a problem, sections 12 to 18 provide for a competition reference which ultimately provides a mechanism to enforce resolution of the matter. There has never been a competition reference under section 12.

² http://www.legislation.gov.im/cms/images/LEGISLATION/PRINCIPAL/1996/1996-0015/FairTradingAct1996_1.pdf

Whilst the 1996 Act provides a reasonable framework for dealing with anti-competitive practices what is missing is any form of penalty, either civil or criminal. In most jurisdictions the competition regulator has the ability to levy civil penalties. Anti-competitive behaviour in whatever form happens mainly because it is very lucrative for the perpetrator and the levying of large penalties, generally based on turnover provides a major deterrent. Alongside market investigations the other main way in which market abuses tend to be unearthed is whistleblowing. This is particularly the case for cartel³ activities. Most jurisdictions have a whistleblowing policy which allows a cartel member to avoid penalties if he identifies the abuse and the other perpetrators. Since the 1996 Act has no provision for penalties there is no way to incentivise whistleblowing. It is worth noting that whilst there are no penalties under the Act there is still potential for a party who has suffered loss as a result of an anti-competitive practice to take civil action. Although the OFT is not aware of any civil actions in Manx Courts ensuing from an anti-competitive practice investigation, such cases are becoming increasingly common elsewhere.

PRICE INVESTIGATIONS

Section 19 provides the OFT Board with the authority to investigate prices and report thereon to the Council of Ministers. In order to do so the OFT must be satisfied that the price in question is one of major public concern and that either:

the provision or acquisition of the goods or services in question is of general economic importance; or consumers are significantly affected, whether directly or indirectly, by the price.

Section 19A then provides the Council of Ministers with the ability, having considered a report under section 19, to make a price reference. If that price reference concludes that excessive prices have been or are being charged, it could ultimately lead to the Council of Ministers making an order under section 19C which fixes the maximum price to be charged (without the consent of the OFT) for particular goods or services by the person subject to the Order.

There have been a number of price investigations over the years (e.g. Liquid Fuels and Energy Prices) but the process has never gone beyond section 19A. That is hardly surprising in a free market economy where price control should always be the option of last resort.

At a purely practical level it should be recognised just how difficult it is to conclude with any certainty that a price is **excessive**. If someone is charging excessive prices they are either making unreasonably high profits or they are grossly inefficient (or a combination of both) but exactly how can this be judged? Investigations have attempted to assess the concept of 'excessive' by comparators in other jurisdictions but this is extremely difficult, time consuming, expensive and ultimately open to challenge. Having surmounted the hurdle of 'excessive', it is easy to see that even if it had then been felt desirable to go as far as controlling prices by way of an Order under section 19C, just how bureaucratic and impractical it would actually be in a complex supply chain with a product which is imported and subject to day to day price fluctuations on a global market.

³ Cartels are the most serious form of an anti-competitive agreement. They are agreements between businesses not to compete with each other, e.g. on price, discount levels, credit terms or in respect of particular customers or in particular areas. Cartel agreements can often be verbal and may be hard to uncover.

In general, competition policy in both large and small economies has moved away from price controls other than in closely defined and heavily regulated sectors. Excessive prices are a symptom of the failure of a market to function effectively. This is generally because one or more players in the market have individually or collectively achieved a position of market power which allows them over time to behave to an appreciable extent independent of customers. Put another way, they are able to increase prices to a point where increased profits from the higher prices outweigh the loss of profits from customer who move to another supplier or who reduces their consumption. Modern competition policy seeks to address the market failings rather than the results of the failure.

FUTURE COMPETITION POLICY – OVERVIEW

The starting point for the development of a new OFT competition policy must be the Strategic Aims of the Office as set out in its 2013/14 Business Plan. These are:

- To protect consumers from unfair trading practices through advice, education and enforcement
- **To facilitate businesses that wish to trade fairly**
- **To ensure that markets function in the interests of consumers**
- To provide an effective and appropriate legislative framework for consumer protection
- To ensure value for money in service delivery by providing the right services in the right way

It is clear that any new policy needs to meet the highlighted aims. Certainly it needs to ensure that markets function in the best interests of consumers. So what exactly does the OFT believe is in the best interests of consumers? Clearly price is important but low prices are not everything. Consumers also want sustainable supplies of important products. Prices and long term stability can often be a trade-off. Consumers also want choice because choice is a key driver of quality and product innovation. It is clear that the weight applied to each of these factors is going to vary based on the nature of the product or service. Overall the best interests of consumers are generally served by vigorous competition between multiple suppliers but, as considered below, the very nature and scale of the Isle of Man can act as a limitation on competition.

Whilst a competition policy is rightly focussed on the consumer it is also vitally important that businesses are allowed to compete fairly. Failure to ensure fair competition will not only act against the interests of consumers it will also stifle innovation and investment by business. An effective competition policy encourages investment and conversely an ineffective competition policy discourages investment.

There is a third factor which needs to underpin competition policy. It is not stated in those strategic aims but it is implicit in them because they are the strategic aims of the Isle of Man OFT. Any competition policy has to work in an Island context. Whilst competition policies in the European Union and the United Kingdom are of interest, it is not, in the view of the OFT, viable to simply import a policy from a large neighbour. Any competition policy has to work on an Island scale where there are, in many areas of the economy, natural restrictions on competition and even natural monopolies, where the need for economies of scale and the resultant efficiency takes priority over ensuring competition.

The OFT believes that these objectives can best be achieved by light touch regulation – as far as possible leaving matters to market forces and only intervening where it is necessary to prevent abuses or where significant markets are plainly failing to deliver in the interests of consumers. However in order to minimise the risk of businesses choosing to exploit light touch regulation it is important that competition authorities have at their disposal a range of tools to deal appropriately with market abuses.

The OFT believes that in an Isle of Man context light touch regulation means having an appropriate range of tools to deal with market abuses but using those tools only when absolutely necessary to ensure that significant market failures and abuses are addressed in the interests of both consumers and business.

Question 1

Do you agree with the light touch regulation approach of the OFT?

Section 8 of the Fair Trading Act 1996 (as amended) defines an anti-competitive practice in the following terms:

'For the purposes of this Part a person engages in an anti-competitive practice if, in the course of business, he pursues a course of conduct which, of itself or when taken together with a course of conduct pursued by another person or other persons, has or is intended to have or is likely to have the effect of restricting, distorting or preventing competition in connection with the production, supply or acquisition of goods in the Island or the supply or securing of services in the Island'.

Anti-competitive practices can take many forms and include:

- Cartels designed to fix markets
- Collusion with competitors in obtaining business (bid rigging)
- Conspiracy to restrict markets
- Predatory pricing intended to undermine or eliminate competition
- Price fixing agreements
- Exclusive dealing
- Tied selling
- Geographic market restrictions
- Resale price maintenance
- Abuse of market power or market dominance
- Creating artificial barriers to market entry to protect against new entrants

What all of these practices have in common is that one or more firms operating in the market are seeking to defeat natural competition in order to increase their profits. Whilst there may be victims of anti-competitive practices in the supply chain ultimately it is the end consumer who pays.

Under current legislation whilst the OFT can investigate alleged anti-competitive practices and ultimately steps can be taken to stop them there is no penalty for the perpetrator. The victim can take civil action for damages against the perpetrator but this generally very difficult especially in identifying the counterfactual – what would have happened in the market without the abuse taking place. In terms of competition law internationally the Isle of Man is unusual in not applying penalties for anti-competitive practices. In most jurisdictions there are civil penalties – the competition authority can issue a penalty with an appeal to some higher authority or Court. In some jurisdictions anti-competitive practices are actually criminal offences dealt with by the criminal Courts. Generally penalties are substantial and based on turnover in order to offer a

significant deterrent to activities which are very profitable with a limited chance of being caught. It is interesting that most cartel cases at both European Union and United Kingdom levels relate to long term manipulation of markets and have taken years to be discovered. By their very nature cartels are secretive.

Question 2

Do you believe that perpetrators of anti-competitive practices should be subject to a financial sanction?

In other jurisdictions these sorts of market manipulation are commonly discovered not by investigation, but by one or more of the participants deciding to come clean. Most jurisdictions offer a 'whistleblower' some form of exemption from or reduction in the level of penalty. This approach provides a considerable incentive to a cartel member to break ranks in situations where the competition authority is examining a market due to other concerns. Whilst whistleblowing is most relevant in relation to cartels it is also relevant to other forms of market abuse.

Question 3

Do you agree with the principle of reduced penalties for "whistleblowers"?

FUTURE COMPETITION POLICY - POWERS OF INVESTIGATION

Under the 1996 Act the investigative powers of the OFT are limited to anti-competitive practices (section 9) and prices (section 19).

In order to launch an investigation into an anti-competitive practice the OFT has to be directed by the Council of Ministers who must believe that a person has been or is pursuing a course of conduct which may amount to an anti-competitive practice. In practice it is likely that it will have been the OFT who, generally based on a complaint, will have provided the necessary evidence to the Council of Ministers. The problem with this approach is that in order to launch an investigation there has to be evidence of market abuse (i.e. has or is intended to have or is likely to have the effect of restricting, distorting or preventing competition) and without powers of investigation it is very difficult to find the necessary evidence.

Modern competition law in other jurisdictions comes at the issue from a different perspective. Competition authorities have much more general investigatory powers to look into markets which appear not to be functioning in the interests of consumers or the economy in general. Those more general powers may uncover market abuses, either through investigation or through whistleblowing, but they may also simply uncover reasons why the markets do not work well. Most competition authorities adopt a multi-stage approach; the first stage being the gathering of initial evidence to enable an informed decision as to whether a full investigation is required. Clearly investigations need to be carefully targeted on markets which are either important to consumers or to the economy. Investigations do of course need to recognise the scale of the Isle of Man and that whilst competition is generally good in a small economy there may be situations where the economies of scale from a monopoly or oligopoly⁴ may be economically desirable because they represent the only way of achieving sustainable cost effective services.

At present the OFT does have the power to investigate prices (section 19) but the problem is that excessive prices are merely a symptom of the failure of a market. The reality of excessive prices is that they are the result of either the supplier or provider making unrealistically high levels of profit or being grossly inefficient. Either problem ought to be naturally resolved by competition, so some characteristic of the market is stopping that happening. It may be that failure derives from some sort of anti-competitive practice but equally it may just be some other characteristic of the market.

The potential for markets to fail to function in the interests of consumers is greater in a small economy because there are in many markets where the scale of the Isle of Man means that there are few or even only one supplier competing in the market place. Those markets can, however, still function efficiently; monopolistic and oligopolistic markets can still work perfectly for consumers but there is simply an increased risk of something going wrong.

⁴ An **oligopoly** is a situation in which a particular market is controlled by a small group of firms. It is much like a monopoly, in which only one company exerts control.

The OFT believes that there should be an ability to investigate markets where there is major public or economic concern and that such investigations should not (as at present) be limited in their scope to the narrow issue of prices. The benefit of this approach is that the competition authority does not have to pre-judge at the outset whether the problem in a market is a problem of competition or one of price. It merely has to decide that there is a potential problem that requires investigation. The nature of the problem is then uncovered by the investigation. It necessarily follows that where an investigation identifies failings, there should be a range of remedies available.

Question 4

Do you agree with the proposed approach in relation to investigations in situations where there is major public or economic concern?

FUTURE COMPETITION POLICY - MERGERS AND ACQUISITIONS

At the present time there is no specific legislation to address the issue of mergers and acquisitions and yet clearly these have the potential to have a very considerable impact on markets and the way in which they function (or fail to function) in the interest of consumers and the economy at large. This is an area covered by competition law in most developed economies, large and small, and the OFT believes that this may be a significant weakness.

Mergers and acquisitions are not necessarily a bad thing for consumers because in some circumstances they can be highly beneficial leading to increased economies of scale which are passed on to consumers through lower prices and other beneficial business investment. Equally, however, they can be negative in reducing both competition and choice in a market. Worse still mergers and acquisitions can be predatory, for example, increasing market share to the point where market participation becomes unviable for the other participants.

It is suggested that in order to protect markets competition authorities do need to have the power to investigate potential mergers and acquisitions which are of real significance in order to ensure that the economic benefits outweigh any negative impacts. Careful parameters would need to be established to ensure that investigations were only undertaken where the proposal would have real significance from a consumer or economic perspective. Having considered the benefits and disadvantages the competition authority could approve the proposal, with any conditions it felt necessary to minimise negative impacts. If the merger or acquisition was clearly against the public interest it could refuse approval. There would of course need to be some form of appeals mechanism against such a decision.

Question 5

Do you agree that it is desirable to have an approval system for mergers and acquisitions?

Question 6

If you agree YES to question 5, do you agree that the system should only apply to mergers and acquisitions of significant consumer or economic importance?

FUTURE COMPETITION POLICY - REGULATED SECTORS AND EXEMPT SECTORS

Whilst Part 2 of the Fair Trading Act 1996 (as amended) applies across the whole economy there are a number of important sectors where it has been desirable to create sector specific regulation which is, generally, much tighter than the regulation in the wider economy. Current sector specific regulators include the Financial Supervision Commission, the Insurance and Pensions Authority, the Communications Commission, and the Gambling Supervision Commission. In order to ensure that there are no enforcement gaps the OFT believes that any new legislation should provide concurrent powers to those sector specific regulators.

Equally there may be areas of the economy where it is simply not in the national or economic interests of the Island to apply all or specific elements of any new legislation. This principle is established under section 8(2) of the 1996 Act. The OFT envisages a similar provision being enacted in any new legislation. There is, however, a need to ensure that there is a high level of both transparency and accountability around any such decision. This is currently achieved by the fact that any exemption Order has to be made by the Council of Ministers and has to be approved by Tynwald. The OFT believes that this is an appropriate approach to ensuring proper balance in decision making.

Question 7

Do you agree that there should continue to be provision for exemptions in the national interest or the interests of the economy?

CONCLUDING REMARKS

The OFT is acutely aware of the limitations of Part 2 of the Fair Trading Act 1996 (as amended) and its short comings as a piece of modern competition law. It has also received feedback from the private sector which suggests that others outside Government share those concerns.

This consultative document represents the first step along the road to introducing new legislation to bring this important area of Manx Law up to modern standards. The OFT is seeking to establish the high level policy principles which will inform the drafting of any new legislation. It is often said in relation to legislation that the 'devil is in the detail'. In accordance with Government Policy there will be a further opportunity to comment on the detail of any proposals once a Bill has been drafted.

The OFT is keen to hear the views of both the business community and the general public. Please fill in the questions on the appended [response sheet](#) and click 'submit form' (located at the top right hand side of the document). Alternatively, you may send your response to:

OFT Competition Policy Consultation
Office of Fair Trading
Government Building
Lord Street
Douglas
Isle of Man
IM1 1LE

Email: sara.mcintyre@gov.im

Hard copies of this consultation and response sheet are available from the OFT's counter, at the above address or by telephoning 686576. Electronic copies of this document are also available at www.gov.im/oft.

The closing date for submissions is **30th September 2013**.

APPENDIX 1 – LIST OF DIRECT CONSULTEES

- **Tynwald Members**
- **Attorney General**
- **Local Authorities**
- **Chief Officers of Government Departments, Boards and Offices**
- **Isle of Man Chamber of Commerce**
- **Isle of Man Law Society**
- **Isle of Man Trade Union Council**



Isle of Man Office of Fair Trading

APPENDIX 2 - CONSULTATION ON COMPETITION POLICY – RESPONSE SHEET



Isle of Man
Government

Reiltys Ellan Vannin

July 2013

INTRODUCTION

The consultative document [above](#) represents the first step in a process of competition policy development which may ultimately lead to new primary legislation. There will, of course, be further consultation about the detail of any legislation and this consultation is about the policy principle which will form the building blocks for any new legislation.

We will be delighted to hear the views of both consumers and the business community on this important issue. It would be particularly useful to hear views from those in the business community who have experience of operating in other jurisdictions, and especially other small jurisdictions, with differing approaches to regulation.

Please fill in the questions on this response sheet and click 'submit form' (located at the top right hand side of the document) by **30th September 2013**. Alternatively, you may send your response to:

OFT Competition Policy Consultation
Office of Fair Trading
Government Building
Lord Street
Douglas
Isle of Man
IM1 1LE
Email: sara.mcintyre@gov.im

Hard copies of this consultation and response sheet are available from the OFT's counter, at the above address or by telephoning 686576. Electronic copies of this document are also available at www.gov.im/oft.

When submitting your views please indicate if you are responding on behalf of an organisation. A list of consultees can be found at [Appendix 1](#).

To ensure that the process is open and honest and in line with the Government's Code of Conduct on Consultation, which can be found [here](#), responses can only be accepted if you provide your name with your response.

Unless specifically requested otherwise, any responses received may be published either in part or in their entirety. Please mark your response clearly if you wish your response and name to be kept confidential. Confidential responses will be included in any statistical summary and numbers of comments received.

A summary of responses will be published within three months of the closing date for this consultation and will be made available on the OFT website www.gov.im/oft.

The purpose of consultation is not to be a referendum but an information, views and evidence gathering exercise from which to make an informed decision on competition policy. In any consultation exercise the responses received do not guarantee changes will be made to what has been proposed.

By completing this survey, you are agreeing to the collection and use of any personal information sent to the Isle of Man Government in accordance with our [privacy statement](#). Personal data that you provide to us will be processed in accordance with the Data Protection Act 2002 of the Isle of Man and will be kept no longer than is necessary.

Your information

Name:

Address:

**Telephone
Number:**

Email:

**Please select box if you wish your
submission to remain confidential:**

**Is your submission representing your
personal views or that of a business?** Please state:
(if personal, please go to the [next page](#))

**If your submission is representing that
of a business, please indicate the name of the
organisation:**

Please describe the nature of the organisation:

There is one particular group who the OFT would especially encourage to contribute. There are many businesses and residents who have experience of competition law in other jurisdictions, especially other small jurisdictions. We would really appreciate the views and experiences of those who have experienced other systems.

Which jurisdictions?

What are their strengths and weaknesses?

How are they better (or worse) than existing Manx law?

Question 1

Do you agree with the light touch regulation approach of the OFT?
(please only select one answer)

Yes

No – No need for any intervention

No – Need more intervention

Comments: *[*if you run out of space there is an additional sheet at the end of this response document](#)*

[Return to consultation paper](#)

Question 2

Do you believe that perpetrators of anti-competitive practices should be subject to a financial sanction?

Yes – A Civil Penalty

Yes – A Criminal Penalty

No

Comments:

[Return to consultation paper](#)

Question 3

Do you agree with the principle of reduced penalties for 'whistleblowers'?

Yes

No

Comments:

[Return to consultation paper](#)

Question 4

Do you agree with the proposed approach in relation to investigations in situations where there is major public or economic concern?

Yes

No

Comments:

[Return to consultation paper](#)

Question 5

Do you agree that it is desirable to have an approval system for mergers and acquisitions?

Yes

No

Comments:

[Return to consultation paper](#)

Question 6

If you agree YES to question 5, do you agree that the system should only apply to mergers and acquisitions of significant consumer or economic importance?

Yes

No

Comments:

Question 7

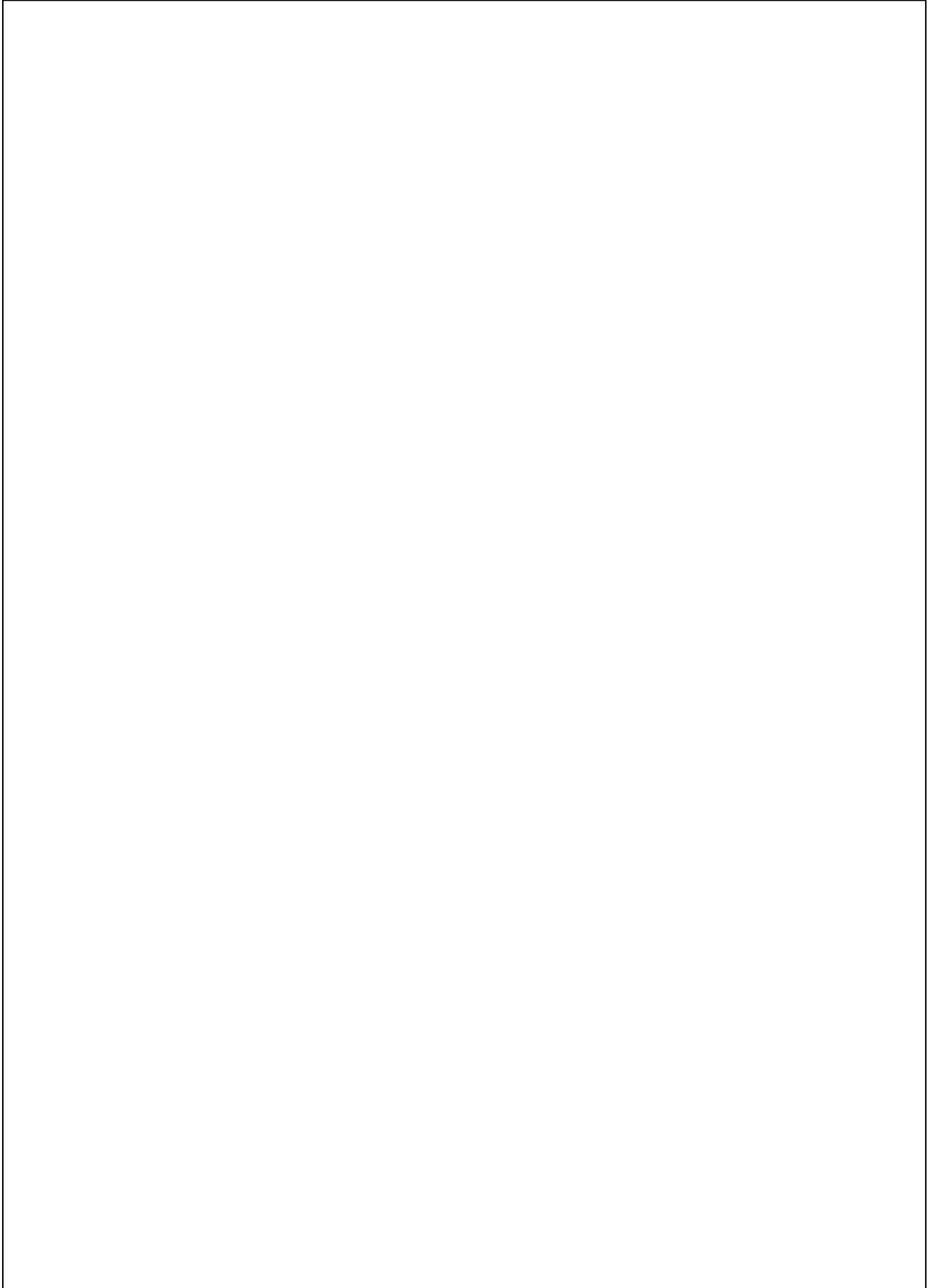
Do you agree that there should continue to be provision for exemptions in the national interest or the interests of the economy?

Yes

No

Comments:

If you have any further comments to make, please do so below.

A large, empty rectangular box with a thin black border, intended for users to provide further comments. The box is currently blank.

Thank you for taking the time to complete this response sheet. This information will help us to develop a competition policy which may ultimately lead to new primary legislation.

By completing this survey, you are agreeing to the collection and use of any personal information sent to the Isle of Man Government in accordance with our privacy statement. Personal data that you provide to us will be processed in accordance with the Data Protection Act 2002 of the Isle of Man and will be kept no longer than is necessary.

[RETURN TO CONSULTATION DOCUMENT](#)

**Contact Information: Office of Fair Trading, Government Building, Lord Street, Douglas
Tel: (01624) 686576**

