



Australian
Competition &
Consumer
Commission

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NEWS RELEASE

ACCC NOT TO OPPOSE FUNERALS ACQUISITION AFTER UNDERTAKING RESOLVES CONCERNS

The Australian Competition and Consumer Commission will not oppose the proposed acquisition of Bledisloe Group Holdings Pty Ltd by InvoCare Limited after competition concerns were resolved by InvoCare providing an undertaking to the ACCC.

The undertaking involves InvoCare selling a funeral directing business in north Sydney and a crematorium in north Brisbane. The undertaking also requires InvoCare to make it clear which brands belong to the InvoCare Group when advertising its services in the Brisbane area.

"Taking into account the divestiture undertaking and clearer advertising requirements, the ACCC is satisfied that the proposed acquisition is unlikely to substantially lessen competition," ACCC chairman Graeme Samuel said.

In Australia, InvoCare and Bledisloe compete in a number of funeral directing markets, most notably in Brisbane and Sydney and also compete to provide cremation services in Brisbane.

"The ACCC conducted an extensive review to assess the impact of this transaction on customers of funeral directing services and cremation services and identified a number of markets where competition concerns were raised," Mr Samuel said.

The proposed acquisition would result in the removal of InvoCare's closest competitor in the markets for the supply of funeral directing services in north Sydney and south Brisbane and cremation services in north Brisbane.

The ACCC considered that without the proposed divestiture of Bledisloe's funeral directing business in north Sydney, InvoCare would have the ability and incentive to increase the price for funeral services in north Sydney, either by reducing the frequency and size of discounts provided to customers or by increasing price lists for funeral services.

In the absence of the divestiture of Bledisloe's crematorium in north Brisbane InvoCare would also have the ability and incentive to increase the price of cremation services in that area.

ACCC consultation also identified concerns that customers seeking competitive quotes from funeral directors may unknowingly solicit quotes from branches of the same company. This is a particular concern with InvoCare given the high degree of recognition associated with the InvoCare brands and InvoCare's acquisition of the Bledisloe funeral directing brands may exacerbate this issue.

The ACCC was satisfied that the competition concerns in the relevant markets would be remedied through the following undertakings:

- the sale of Bledisloe's *Gregory and Carr* funeral directing service brand and assets in north metropolitan Sydney
- the sale of Bledisloe's *Great Northern Garden of Remembrance* crematorium in Deception Bay, Queensland, and
- the implementation an 'ownership statement' obligation for five years which requires InvoCare to clearly disclose which funeral directing brands are owned by InvoCare in all marketing and advertising in the Brisbane metropolitan area for each of the InvoCare brands.

The ACCC concluded that there were no competition concerns in other markets in which the operations of InvoCare and Bledisloe overlap, and so no undertakings were required in relation to other geographic areas

The undertaking will be available on the ACCC's website.
<http://www.accc.gov.au/content/index.phtml?itemId=6029>

A Public Competition Assessment outlining the ACCC's reasons for its decision will be available on the ACCC's website in due course.

Media inquiries

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General inquiries

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