

Annual Report 2010-11

Annexe E

Market studies, super-complaints, and reviews of undertakings and orders, 1 April 2010 to 31 March 2011

Market studies summary

Table E1: Market studies statistics, 1 April 2008 – 31 March 2011

	2008-09 (for comparison)	2009-10 (for comparison)	2010-11
Market studies launched	5	5	7
Market studies completed	5	4	6
Market studies ongoing at end of financial year	3	4	5

Completed market studies

Table E2: Market studies completed, 1 April 2010 – 31 March 2011

<i>Market study</i>	<i>Date launched</i>	<i>Date completed and length of study</i>	<i>Expected completion date at time of launch</i>	<i>Reason for extension (if any) beyond expected completion date</i>	<i>Summary of outcome*</i>
Advertising of Prices	October 2009	December 2010 15 months	Summer 2010	The deadline for completion of the study was moved back to allow OFT to run a series of industry roundtables over the summer, which were attended by over 100 businesses and interested organisations.	Established that certain pricing techniques used online, in-store and in adverts can mislead consumers, potentially breaching the law. Set out criteria OFT will use in prioritising enforcement action against traders engaged in pricing practices causing the most harm to consumers.
Online Targeting of Advertising and Prices	October 2009	May 2010 8 months	Spring 2010	n/a	Industry self-regulation addresses some concerns about behavioural advertising, but more could be done to provide consumers with better information about how personal information is collected and used. The

					study also sets out how regulation might apply to these new and emerging practices.
Corporate Insolvency	November 2009	June 2010 8 months	Summer 2010	n/a	Found that the market may not work in the best interests of all creditors in over a third of administrations, and recommended fundamental changes to the regulatory system, which is currently unable to effectively protect the interests of small creditors.
Consumer Contracts	February 2010	February 2011 13 months	Winter 2010	Study was delayed by 2 months following the departure of the Project Director. Additional time was also required to explore further stakeholder engagement.	Examined when, how and why contracts may cause difficulties for people and identified the contract terms which have the potential to cause people the greatest harm. Study developed a systematic framework for prioritising enforcement action on those cases that result in significant consumer detriment. 1 in 5 consumers surveyed had experienced a problem with such contracts in the last year.
Outdoor Advertising	May 2010	February 2011 10 months	December 2010	Publication was slightly later than planned due to the additional work required in preparation for the CA98 investigations that followed from the market study.	The sector is broadly competitive amongst both specialist buyers and media agencies; however, some specific issues around rebates were identified, and an investigation was also opened into contracts entered into by each of two media owners.
Equity Underwriting	August 2010	January 2011 6 months	n/a – no completion date was specified at time of launch.	n/a	Found a significant increase in fees paid to investment banks since the onset of the financial crisis in 2007; identified a number of options which would enable company boards and institutional shareholders to drive greater competition for themselves.

* More detail on the findings of each market study are set out in the main body of the OFT's Annual Report 2010-11 and in the Market Studies section of the OFT website.

Ongoing market studies

Table E3: Market studies that were ongoing as at 31 March 2011

<i>Market study*</i>	<i>Date launched</i>	<i>Progress as at 31 March 2011</i>	<i>Expected completion date at time of launch</i>	<i>Reason for extension (if any) beyond expected completion date</i>
Aggregates	September 2010	Initial evidence gathering phase almost complete. Scope of study widened to include cement and ready-mix concrete due to the close links between these three product markets.	July 2011	n/a
Organic Waste (jointly with OFWAT)	December 2010	Gathering evidence from key players in both the treatment of sewage sludge and the treatment of organic waste from municipal and commercial and industrial sources.	July 2011	n/a
Mobility Aids	February 2011	Collecting/analysing the information received to date from interested parties, and conducting consumer research, with a view to examining whether the market(s) in this sector are working well for consumers.	September 2011	n/a
Off-Grid Energy	March 2011	Speaking with various stakeholders, including consumers, consumer groups, private market participants, trade associations and government.	October 2011	n/a
Private Healthcare	March 2011	Gathering/analysing information with a view to determining whether consumer and competition issues are present in the	Late summer 2011	n/a

market

* Further details of these market studies are set out in the main body of the OFT's Annual Report 2010-11 and in the Market Studies section of the OFT website.

Super-complaints

Table E4: Super-complaints dealt with by OFT, 1 April 2010 – 31 March 2011

<i>Super-complaint*</i>	<i>Complainant</i>	<i>Date received</i>	<i>Date of OFT response</i>	<i>Status as at 31 March 2011</i>
Supply of beer to pubs	CAMRA	July 2009	Initial response October 2009; final response October 2010	The OFT responded to this super-complaint in October 2009, but subsequently launched a consultation on its findings following an appeal by CAMRA to the Competition Appeal Tribunal; a final response was issued in October 2010. The OFT found that the pub sector in the UK is competitive overall and did not find evidence of competition problems having a significant adverse impact on consumers, and has therefore concluded that further OFT action is not warranted.
Cash ISAs	Consumer Focus	March 2010	June 2010	The study identified issues around the transfer process for cash ISA and a lack of personalised information about customers' interest rates, which providers agreed to address; the OFT did not refer the market to the Competition Commission after consulting on its provisional decision not to do so.
Cold-calling and up-front charging practices used by businesses	Citizens Advice	March 2011	Ongoing	At the end of the reporting period, the OFT was considering the issues raised in the super-complaint.

offering
credit
brokerage
and debt
services

Credit and Debit Card Surcharges	Which?	March 2011	Ongoing	At the end of the reporting period, the OFT was considering the issues raised in the super-complaint.
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* More detail on the super-complaints are set out in the main body of the OFT's Annual Report 2010-11 and in the super-complaints section of the OFT website.

Reviews of orders and undertakings

<i>Review</i>	<i>Date launched</i>	<i>Date completed and length of review</i>	<i>Summary of outcome*</i>
Review of the Northern Ireland Personal Current Account Banking Market Investigation Order	August 2009	May 2010 10 months	We advised the Competition Commission that parts of the Order are likely to be rendered unenforceable following the coming into force of the Payment Services Directive and the Consumer Credit Directive, and that they should consider amending the Order accordingly.
Review of the Home Credit Market Investigation Order	July 2010	October 2010 4 months	We advised the Competition Commission to consider numerous but generally minor amendments to the Order following the coming into force of the Consumer Credit Directive.
Review of the Store Cards Market Investigation Order	July 2010	October 2010 4 months	We advised the Competition Commission to consider minor changes to the Order following the coming into force of the Consumer Credit Directive.
Review of the Domestic Electrical Goods Order	November 2010	Ongoing	The OFT is considering whether the DEGs Order and undertakings continue to be appropriate or whether there are changes of circumstances which mean that they can be varied, removed or superseded.

* More details are set out in the main body of the OFT's Annual Report 2010-11.