

Electrical contracting at exhibition halls in London

1 Title of report: Electrical Contracting at Exhibition Halls in London: a report on the supply in Greater London of electrical contracting services at large exhibition halls (MMC - Cmnd 995)

2 Date of report: 9 February 1990 **Published:** 12 April 1990

3 Orders:

The Electrical Contracting (London Exhibition Halls) Order 1995 (SI 1995 No 3299)

Made - 18 December 1995

In force - 1 February 1996 (for purposes of terminating agreements made before 1 September 1996); 1 September 1996 (for all other purposes)

Whereas the Secretary of State, in accordance with section 91(2) of the Fair Trading Act 1973¹, published a notice on 22 August 1994 stating his intention to make this Order, indicating the nature of the provisions to be contained in it and stating that any person whose interests were likely to be affected by the proposed order and who wanted to make representations about it should do so in writing before 14 October 1994;

And whereas the Secretary of State has considered the representations made to him in accordance with that notice;

Now therefore the Secretary of State, being the appropriate Minister within the meaning of section 56 of the said Act, in exercise of the powers conferred by sections 56(2) and 90(2) and (4) of, and paragraphs 1, 2, 5 and 9 of Schedule 8 to the said Act, and for the purpose of remedying or preventing adverse effects specified in a report of the Monopolies and Mergers Commission entitled 'Electrical Contracting at Exhibition Halls in London: A report on the supply in Greater London of electrical contracting services at large exhibition halls'² (2), hereby makes the following Order:

1. (1) This Order may be cited as the Electrical Contracting (London Exhibition Halls) Order 1995 and shall come into force-

- a) for the purposes of articles 2(2) (a), 3(2) (a) and 5(2) (a) below on 1 February 1996, and

¹ 1973 c.41.

² Cm. 995.

b) for all other purposes on 1 September 1996.

(2) In this Order-

'competitively chosen' means chosen by the exhibition organiser within the 12 months preceding the date when he first offers to enter into contracts with exhibitors for a particular exhibition, as offering the lowest overall prices for electrical contracting services to be offered or provided at that exhibition whilst meeting any standards which the hall owner has specified and which are objectively justified in respect of the provision of those services;

'connected', in describing the relationship between a hall owner and an exhibition organiser, means that they are the same person or are members of the same group of interconnected bodies corporate, and 'unconnected' shall be construed accordingly;

'electrical contracting services' means the services provided by electrical contractors, in their capacity as such, other than the service of connecting electrical equipment to electrical mains;

'exhibition organiser' means a person who by way of business organises exhibitions and any other member of the same group of interconnected bodies corporate;

'hall owner' means a person who by way of business is the occupier of a London exhibition hall and

any other member of the same group of interconnected bodies corporate, and a hall 'belongs' to a hall owner if he or another member of the group so occupies it;

'London exhibition hall' means a building in Greater London with a floor area used for holding exhibitions which exceeds 2,500 square metres;

and a person is an 'exhibitor' at a hall or at an exhibition if he is exhibiting or is intending to exhibit in that hall or at that exhibition.

2. (1) This article applies to an agreement between a hall owner and an unconnected exhibition organiser which imposes any restriction on the person or persons who may provide electrical contracting services to exhibitors at an exhibition organised by the exhibition organiser in a London exhibition hall belonging to the hall owner other than-

- a) a requirement to use the electrical contracting services of only any person who meets any standards which the hall owner has specified and which are objectively justified in respect of the provision of the particular services to be offered or provided at the exhibition;

- b) a limit, not being less than two, on the number of persons who may provide such services.

(2) Subject to Article 7 below-

- a) the parties to an agreement to which this article applies made before 1 September 1996 shall terminate it before that date to the extent that it contains restrictions by virtue of which this article applies to it; and
- b) it shall be unlawful for any person to make or carry out an agreement to which this article applies except to the extent that it does not include restrictions by virtue of which this article applies to it.

(3) For the purposes of paragraph (1) above, an agreement which imposes a restriction on the person or persons who may provide electrical contracting services includes one which provides that the use of the services of any person or persons is subject to conditions or restrictions which do not apply in respect of the use of any other particular person or persons or that it is otherwise less advantageous to the exhibitor

3. (1) This article applies to any agreement between an exhibition organiser and an exhibitor at an exhibition hall belonging to a hall owner connected with the exhibition organiser which requires the exhibitor to use the electrical contracting services of a particular person or persons other than a person (or persons) who has been competitively chosen.

(2) Subject to Article 7 below-

- a) the parties to an agreement to which the article applies made before 1 September 1996 shall terminate it before that date to the extent that it contains restrictions by virtue of which this article applies to it; and
- b) it shall be unlawful for any person to make or carry out an agreement to which this article applies except to the extent that it does not include restrictions by virtue of which this article applies to it.

(3) For the purposes of paragraph (1) above, an agreement which requires an exhibitor to use the electrical contracting services of a particular person includes one which provides that the use of the services of any other person is subject to conditions or restrictions which do not apply in respect of the use of the particular person or is otherwise less advantageous to the exhibitor.

4. (1) It shall be unlawful for an exhibition organiser, as a condition of supplying any goods or services to an exhibitor at an exhibition in a London exhibition hall belonging to a hall owner connected with the exhibition organiser, to require the exhibitor to use the electrical contracting services of the exhibition organiser unless that person has been competitively chosen.

(2) For the purposes of paragraph (1) above, a condition which requires an exhibitor to use the electrical contracting services of a person mentioned in that paragraph includes one under which the use of the services of any other person is subject to conditions or restrictions which do not apply in respect of the use of

the services of the persons mentioned in paragraph (1) above or is otherwise less advantageous to the exhibitor.

5. (1) This article applies to an agreement between a person supplying or intending to supply electrical contracting services in a London exhibition hall and a hall owner which provides for the hall owner to receive valuable benefit for requiring or promoting the use of the services of the electrical contractor by exhibitors at an exhibition in a London exhibition hall belonging to the hall owner.

(2) Subject to Article 7 below-

- a) the parties to an agreement to which the article applies made before 1 September 1996 shall terminate it before that date to the extent that it contains any provisions by virtue of which this article applies to it; and
- b) it shall be unlawful for any person to make or carry out an agreement to which this article applies except to the extent that it does not include any provisions by virtue of which this article applies to it.

6. (1) Where an exhibition organiser requires or intends to require an exhibitor at an exhibition in a London exhibition hall belonging to a hall owner connected with the exhibition organiser to use the electrical contracting services of a particular person or of one of a number of particular persons, that person or each such person (as the case may be) shall notify his prices for those services in writing to each exhibitor before the exhibitor gives orders for them and before the exhibitor enters into a binding contract with the exhibition organiser to exhibit at the particular exhibition.

(2) The requirement in paragraph (1) above shall not apply in respect of any such person not intending to supply such services at the particular exhibition.

7. [...]³

John M. Taylor

Parliamentary Under Secretary of State
For Competition and Consumer Affairs
Department of Trade and Industry
18 December 1995

EXPLANATORY NOTE

(This note is not part of the Order)

This Order makes provision about electrical contracting services provided to exhibitors at exhibition halls in Greater London with more than 2,500 square metres of exhibition space.

This Order provides that the owners of exhibition halls may not impose restrictions on who may provide electrical contracting services to exhibitors at exhibitions organised by persons unconnected with the hall owner except on objectively justified grounds. Where an exhibition organiser and the hall owner are connected, then the exhibition organiser may only require the use of a particular electrical contractor if that contractor has been competitively chosen. In such cases the contractor must notify the exhibitors of its prices before the exhibitors enter into a contract to exhibit at the particular exhibition.

Hall owners may not receive any valuable benefits from contractors in return for requiring or promoting the use of their services.

The Order does not apply to agreements so far as they are agreements to which the Restrictive Trade Practices Act 1976 (c.34) applies.

Copies of the report of the Monopolies and Mergers Commission on which the Order is based (Cm 995) may be obtained from Her Majesty's Stationery Office.

REVOCATION

Article 7 was revoked by Competition Act (Consequential and Supplemental Provisions) Order SI 2000/2031 from the 1st of March 2001.

³ repealed by Competition Act (Consequential and Supplemental Provisions) Order 2000/2031 art. 14