
International developments

From the UK

The following items come from the Office of Fair Trading's website <<http://www.offt.gov.uk>> and its magazine, *Fairtrading*, unless otherwise specified.

OFT probe spurs new school code of conduct

The OFT's investigations into suspected price fixing arrangements between some of Britain's top private schools has prompted two private schools to voluntarily adopt a strict code of conduct. The new code is the first of its kind in the private education sector. It prohibits the sharing of information about fees, teaching costs and proposed levels of scholarships or bursaries. The OFT's investigation into schools such as Eton and Winchester for suspected price fixing is continuing.

Carlton and Granada merger approved subject to complex behavioural remedies

Subject to complex undertakings, the two largest commercial TV operators in the UK, Carlton and Granada, have been cleared by the Competition Commission to merge. The Competition Commission considered the impact of the merger on program reduction, availability of studio facilities, future competition for ITV licences, the impact on ITV regional licences that would remain outside the merged company and advertising sales. The merger was approved as it will go some way towards enabling the ITV channel to compete with the BBC and BSkyB.

To address competition concerns Carlton and Granada must adhere to specified sales terms to be offered to advertisers and media buyers for three years after the merger is completed. Previously a structural remedy was rejected with concerns the viability of the deal would be threatened if the two operators were divided.

OFT issues warnings concerning Canadian scam lotteries

The OFT has joined a large contingent of US investigators in warning consumers against a Canadian lottery scam which has already claimed A\$6.8 billion from US victims and looks set to rack up millions of pounds from unsuspecting UK residents. The OFT is working closely with the Canadian authorities to shut down the scam which operates by convincing victims to release bank details or send money to receive their non-existent lottery winnings.

From the US

The following items come from the Federal Trade Commission's website at <<http://www.ftc.gov>>.

US bank regulator brings first case under FTC Act

The Office of the Comptroller of the Currency (OCC) is the first federal bank regulator to cite unfair loan terms under the FTC Act in a crack down on predatory lending. The OCC has ordered a Texas bank in San Antonio to reimburse 30 or more customers at least A\$138 000 for fees and other charges that exceeded their principle by as much as 123 per cent. Many of these fees were charged for services that were never actually performed or were clearly excessive for the services which were performed. The bank has also been ordered to examine its loan portfolio for similar violations and take steps to prevent future unfair lending practices. The OCC has stated it is determined to keep predatory lending from gaining a foothold in the national banking system.

Legal boost received for anti spam registry

Anti-spam measures have been approved which allow the FTC to establish a national 'do not spam' registry similar to the 'do not call' register implemented earlier this year. The anti-spam measure allows consumers to opt out of receiving unsolicited email yet, unlike the 'do not call' register, citizens are prohibited from seeking civil damages against spammers in court. Under the bill, sending fraudulent spam is punishable by up to five years in prison.

From Canada

The following items come from the Competition Bureau's website at <http://competition.ic.gc.ca>.

Competition ACCC appoints Sheridan Scott as chair

The Canadian government has appointed Sheridan Scott as Commissioner of Competition, filling the position previously held by Konrad von Finckenstein. Ms Scott has over 20 years experience in the telecommunications and broadcasting sectors. Before commencing her appointment to the position at the Competition Bureau in January 2004, Ms Scott was Chief Regulatory Officer of Bell Canada.

From NZ

The following articles are from the NZ Commerce Commission's website at <http://www.comcom.govt.nz>.

Paula Rebstock appointed as chair

Paula Rebstock has been appointed chair of the Commerce Commission for a period of three years. She had been acting in the position since mid-2003. Ms Rebstock said a key challenge facing the NZCC is its increased workload stemming from its investigations of a record number of complaints related to anti-competitive behaviour and fair trading problems. The NZCC had signalled to the government its need for more resources.

NZCC releases mergers and acquisition guidelines to provide greater clarity on competition threshold

The NZCC has issued a revised guideline on mergers and acquisitions to better reflect the practices in applying the substantial lessening of competition threshold which was introduced in May 2001. The guideline has been improved to provide clarification of the Commission's analytical framework and to update information on the range of factors relevant to merger analysis including market definition and barriers to entry.

From Europe

The following articles come from the European Commission's website at http://europa.eu.int/comm/index_en.htm.

EU anti spam law comes into force

New EU digital privacy rules have come into force, requiring companies to gain consent before sending email, tracking personal data on websites or pinpointing callers' locations through satellite-linked mobile phones. The new laws also limit companies' ability to use 'cookie' files from users who visit their website. The aim of the new laws is to regain consumer confidence in the internet and electronic communications by giving consumers the ability to protect their privacy and personal data. Penalties for breaching the new laws and enforcement methods vary across EU member countries.

EC agrees on new merger regulation rules

The Competitiveness Council has agreed on the latest proposal for new merger regulation guidelines. The proposed new merger guidelines will increase the EC's powers to examine oligopolies, allow it to take action against mergers that significantly impede effective competition and remove the need for the EC to prove tacit collusion. The new guidelines are due to be implemented on 1 May 2004, corresponding with the admission date of 10 new EU countries.