

Building supply companies abandon merger during CMA investigation

News story

Kingspan has abandoned its proposed deal with Building Solutions during an in-depth CMA probe.



The Competition and Markets Authority (CMA) has therefore today confirmed that it will be cancelling its Phase 2 merger investigation into the takeover.

Kingspan is the leading provider in the UK of standard foam sandwich panels, which are commonly used as insulated cladding on commercial and industrial buildings such as large waste facilities. Building Solutions also sells a range of insulation and specialist construction products through a variety of businesses, including Steadmans, Trimform, Advanced Cladding and United Roofing Products.

After [completing its initial Phase 1 investigation in April 2020](#), the CMA found that the proposed deal could result in customers facing higher prices or lower quality products.

It found that Kingspan and Building Solutions are 2 of only 3 key suppliers of standard foam sandwich panels in the UK and would only face serious competition from one other UK-based supplier – Tata Steel – after the deal. Competition from suppliers of products imported from outside the UK and suppliers of other products sometimes used as insulated cladding is also very limited.

The CMA had moved to an in-depth, ‘Phase 2’, review after its concerns were not addressed by the firms.

Kingspan and Building Solutions have now decided to abandon the deal and so the CMA will be cancelling its investigation.

More information is available on the [case page](#).

For press queries, email press@cma.gov.uk or call 020 3738 6460.

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