

News story: CMA raises concerns over towbar merger

The companies, Horizon Global Corporation (Horizon) and Brink International B.V. (Brink), design, produce and distribute towbars across Europe and – while they do not have any manufacturing facilities in the UK – they supply a large number of towbars to the UK market.

As part of its investigation, the Competition and Markets Authority (CMA) has found that there are very few comparable companies of a similar size offering all types of towbars.

The CMA found that the companies together control a large share of all towbar supply to the ‘original equipment’ sector – made up of large car manufacturers operating throughout the UK and Europe – and are strong rivals in this area. There is only one major competitor to Horizon and Brink in the supply of towbars to these businesses.

It also found issues in the supply of detachable towbars to the UK-wide ‘independent aftermarket’ sector, which is made up of smaller, independent businesses such as auto-repair centres. This is because Brink supplies a key component for the manufacture of this type of towbar to 2 or more of its competitors in this market.

The CMA has therefore decided that the proposed merger may substantially lessen competition. The companies now have the opportunity to offer ways to address these concerns. If they do not make such an offer by the 19 June, or if what is suggested does not sufficiently address the CMA’s concerns, the merger will be referred for a more in-depth ‘phase 2’ investigation.

More information about this merger inquiry can be found on the [Horizon / Brink case page](#)