

# [Press release: CMA clears Cardtronics and DirectCash Payments merger](#)

Both companies supply pay-to-use and free-to-use cashpoints (ATMs) at sites across the UK.

The Competition and Markets Authority (CMA) began investigating the merger in January, referring it for a phase 2 inquiry by an independent group of panel members in May.

This group considered whether the merger would reduce competition and result in higher surcharges at pay-to-use cashpoints.

In their [final report](#), published today, the inquiry group found that the presence of free-to-use ATMs, and the availability of alternative non-cash payment methods, are likely to constrain such surcharges at pay-to-use machines.

The group also found that contracts and relationships with the owners of sites at which ATMs are installed would limit the merged company's incentives to increase surcharges.

There was also evidence that ATM surcharges are not set according to local competition and that the merger would be unlikely to change this.

Alasdair Smith, CMA Inquiry Chair, said:

We've looked carefully at the scope for the merger to result in cashpoint users paying higher charges at pay-to-use ATMs. As part of our in-depth inquiry, we surveyed consumers and spoke to the owners of a wide range of premises at which these machines are installed.

We've found that the merger does not provide the merged company with an incentive to increase surcharges for people using pay-to-use ATMs, not least because of the increasing use of non-cash payment methods and the decline in the use of pay-to-use ATMs relative to free-to-use ATMs.

The final report has been published on the [case page](#), where all other information relating to the inquiry is available.

## **Notes for editors**

1. The CMA is the UK's primary competition and consumer authority. It is an independent non-ministerial government department with responsibility for carrying out investigations into mergers, markets and the regulated industries and enforcing competition and consumer law.

2. The CMA referred the case for in-depth investigation on 15 May 2017. The group published its provisional findings report on 25 August 2017.
3. The members of the inquiry group are: [Alasdair Smith](#) (Chair), [Rosalind Hedley-Miller](#) and [Gavin Robert](#).
4. All the CMA's functions in phase 2 merger inquiries are performed by independent inquiry groups chosen from the CMA's panel members. The appointed inquiry group are the decision-makers on phase 2 inquiries.
5. The CMA's panel members come from a variety of backgrounds, including economics, law, accountancy and business; the membership of an inquiry group usually reflects a mix of expertise and experience.
6. For more information on the CMA see our homepage or follow us on Twitter [@CMAgovuk](#), [Flickr](#) and [LinkedIn](#) and like our [Facebook page](#). Sign up to our [email alerts](#) to receive updates on mergers cases.
7. Media enquiries should be directed to [press@cma.gsi.gov.uk](mailto:press@cma.gsi.gov.uk) or 020 3738 6798.