

# Press release: Funfair rule changes will enable more competition

The Showmen's Guild of Great Britain – established to protect the interests of its travelling showmen members – represents around 90% of funfairs in the UK.

In December 2016, [the Competition and Markets Authority \(CMA\) alleged that the Guild's current rules break competition law](#) by limiting competition at fairs run by the Guild and between existing Guild fairs and potential rival fairs.

As a result, fairgoers were potentially missing out on improvements arising from greater competition, such as new rides and amusements, new fairs or different kinds of fairs in their local vicinity. It also made it difficult for local authorities to change or improve a fair.

The Guild has now offered to make changes to its rules (by way of legally binding commitments) to fix these problems.

Specific changes proposed by the Guild include measures:

- opening up access to Guild-run fairs for non-member showmen
- enabling access to Guild-run fairs for the showmen (both members and non-members) who are best placed to provide an attractive service to fairgoers
- allowing landowners (often local authorities) to change or improve a fair by replacing poorly performing fair organisers and amusement operators
- reducing restrictions on rival fairs opening close to Guild fairs
- making the rules of the Guild more transparent by publishing them online
- making conditions for membership of the Guild expressly based on objective criteria

The CMA's provisional view is that the proposed rule changes, once implemented, would address its competition concerns. It is now inviting comments from those who are likely to be affected. If accepted by the CMA, the commitments will become legally binding on the Guild and the CMA would bring its investigation to an end.

The CMA has also written a [letter](#) to members of the Guild and published a short [summary](#) and [video](#) to help explain what the proposed changes will mean for showmen.

Ann Pope, CMA Senior Director – Antitrust, said:

We welcome the Guild's offer to make changes to its rules and are

now consulting on whether others agree that they meet our competition concerns.

We believe that the current restrictions hinder change and innovation in funfairs.

The new rules will enable more competition in travelling fairs potentially giving the millions of fairgoers who attend them every year access to new rides and to different fairs in their local area.

## 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. For more information on the CMA see our [homepage](#) or follow us on Twitter [@CMAgovuk](#), [Facebook](#), [Flickr](#) and [LinkedIn](#). Sign up to our [email alerts](#) to receive updates on Competition Act 1998 and civil cartels cases.
2. Further details about how to respond to the consultation are set out in the [notice of the proposed commitments](#), which the CMA has issued today. Further details about the CMA's investigation can be found on the [case page](#). Comments on the proposed commitments should be received by no later than Tuesday 3 October 2017.
3. The Chapter I prohibition in the Competition Act 1998 (the Act) prohibits anti-competitive agreements and concerted practices between undertakings (for example, businesses) and decisions by associations of undertakings which may affect trade within the UK or a part of it and which have as their object or effect the prevention, restriction or distortion of competition within the UK or a part of it, unless they are excluded or exempt in accordance with the Act.
4. In December 2015, the CMA launched a formal investigation in respect of certain rules of the Guild, having established that there were reasonable grounds for suspecting that the Chapter I prohibition had been infringed. In December 2016, the CMA issued a Statement of Objections to the Guild, setting out its provisional view that certain of the Guild's rules infringed the Chapter I prohibition.
5. Where the CMA has begun an investigation under the Act but has not made an infringement decision, it may accept commitments to take such action (or to refrain from taking such action) as it considers appropriate for the purposes of addressing the competition concerns it has identified. If the CMA proposes to accept the commitments offered, the CMA must consult those who are likely to be affected by them, giving them an opportunity to give the CMA their views. The CMA must then take any such views into account before making a final decision on whether to accept the commitments. Formal acceptance of commitments would result in the CMA terminating its investigation and not proceeding to an infringement decision.

6. [The Showmen's Guild of Great Britain](#) describes its purpose as being "to protect the interests of its members – travelling showmen who gain their livelihoods by attending funfairs".
7. The [Guild has stated](#) that "Virtually all travelling Funfairs – some 200 per week between Easter and Bonfire night – are operated by members of the Showmen's Guild". Some fairs in the UK attract over half a million fairgoers. It is estimated that the Guild has around 2,000 members that are active in putting on fairs.
8. The Guild's proposed commitments have been offered by those members representing the Guild (having taken soundings of the wider membership of the Guild) on the basis that, if the CMA were to accept them, then in accordance with the Guild's rules, the Guild's membership would be asked to implement them by a vote at the annual general meeting of the Guild's Central Council to take place no later than 31 January 2018. In the event that the membership of the Guild fails to vote in favour of the rule changes proposed under the commitments and therefore to implement the Guild's proposed commitments by 31 January 2018, then the CMA reserves the right to reopen its investigation.
9. Enquiries should be directed to [rebecca.cassar@cma.gsi.gov.uk](mailto:rebecca.cassar@cma.gsi.gov.uk) or 020 3738 6633.