

Schools could lose out in educational supplies merger

Yorkshire Purchasing Organisation (YPO) and Findel Education Limited (Findel) are 2 of the leading suppliers of educational resources in the UK supplying stationery, furniture, and art and science materials to educational institutions, such as schools and nurseries. YPO announced its planned £50 million purchase of Findel last year.

During its in-depth Phase 2 investigation, the Competition and Markets Authority (CMA) has looked at the impact of the merger on schools and nurseries. It has provisionally found that both companies compete closely, and any merger would reduce competition resulting in increased prices or reductions in service levels, quality and the range of products offered by the merged company.

The CMA looked at a number of suppliers within the educational supplies sector to understand the main sources of competition to YPO and Findel. If the merger were to take place, the primary competitor to the merged entity would be RM Plc, a generalist UK-wide supplier, with more limited competition from a small number of regional generalist suppliers. The CMA provisionally found that competition from smaller, specialist and online-only suppliers is more limited. As a result, the merger would leave educational institutions worse off with few alternative close competitors to the merged company.

In reaching its provisional decision, the CMA analysed a wide range of evidence looking at how closely these firms compete, including internal documents of the companies and their competitors. It also engaged with customers, competitors, and other stakeholders to inform its findings.

Stuart McIntosh, Inquiry Group Chair, said:

“These firms are 2 of the leading suppliers of educational resources in the UK, so it’s important that the CMA protects schools and nurseries who rely on their products. The loss of competition as a result of this merger would likely lead to either higher prices or reduced service, and less choice for schools, which are already under considerable financial pressure.”

All interested parties now have until 30 October 2020 to submit views on possible remedies to address the CMA’s concerns, which may include blocking the deal. All interested parties also have until 6 November 2020 to submit views on the CMA’s provisional findings.

For more information, visit the [Yorkshire Purchasing Organisation/Findel Education merger inquiry](#) web page.

For media enquiries, contact the CMA press office on 020 3738 6460 or press@cma.gov.uk.