

# Mergers between window blind companies raises competition concerns

Hunter Douglas is a leading global supplier of window coverings, which generated global sales of \$3.6 billion in 2018. Hunter Douglas owns and operates a wide range of window coverings businesses, including Blinds2Go and Hillarys in the UK. 247 Home Furnishings Ltd also sells a range of window coverings, including curtains, shutters and blinds, across the UK.

Hunter Douglas originally obtained a minority interest in 247 Home Furnishings (247) in 2013, although this was not publicly disclosed at the time. The CMA's investigation has therefore considered the impact of this initial deal alongside Hunter Douglas's subsequent purchase of the entire shareholding in 247 last year.

Hunter Douglas and 247 are 2 of the leading suppliers of online made-to-measure blinds in the UK. This is a growing market in which customers 'click to order' their own bespoke blinds online but do their own measurement and fitting. Since its establishment in 2000, Blinds2Go has become by far the largest retailer of online made-to-measure blinds in the UK. 247 is one of the other largest companies in this market and competed closely with Blinds2Go. Most other specialist retailers are much smaller and less well-established than the merging businesses, and competition from large retailers of window coverings, like Next and John Lewis, is limited. The CMA therefore found that the merger could leave customers for online made-to-measure blinds with few alternative suppliers.

Colin Raftery, CMA Senior Director said:

Sales of blinds online continue to increase, with people in the UK spending over £150 million on made to measure blinds last year.

Hunter Douglas's Blinds2Go business is already by far the largest supplier, so any deal that results in it buying up one of its closest competitors clearly gives cause for concern.

As competition from other suppliers appears to be limited, we're concerned that the merger between these two companies could leave people paying more or receiving lower quality products or customer service.

Hunter Douglas and 247 Home Furnishings Ltd must now address the CMA's concerns within 5 working days. If they are unable to do so, the two-stage deal will be referred for an in-depth (Phase 2) investigation.

For more information, visit the [Hunter Douglas N.V. / 247 Home Furnishings Ltd merger inquiry](#) web page.

For media enquiries, contact the CMA press office on 020 3738 6460 or [press@cma.gov.uk](mailto:press@cma.gov.uk).

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## Crucial medicines protected for coronavirus (COVID-19) patients

The parallel export ban will help ensure there is an uninterrupted supply of medicines for NHS hospitals treating coronavirus patients.

The new restrictions cover crucial medicines such as:

- adrenaline
- insulin
- paracetamol
- morphine

Parallel exporting is when companies buy medicines meant for UK patients and sell on for a higher price in another country, potentially causing or aggravating supply problems.

All medicines on the list are in high demand across Europe as health systems come under increasing pressure from coronavirus (COVID-19).

The restrictions are a standard measure to manage potential medicine shortages and protects UK patients by ensuring the NHS has the treatments to continue providing world-class care.

Companies that parallel export a medicine on the ban list may face tough enforcement action from the Medicines and Healthcare products Regulatory Agency (MHRA) and risk having their trading licence revoked for serious breaches.

The Department of Health and Social Care has existing, well-established processes to deal with and resolve medicines shortages. The medicine supply chain is complex and highly regulated, so problems can arise for a variety of reasons, including manufacturing issues or problems with raw ingredients.

Health minister Lord Bethell said:

Our brilliant NHS staff are going above and beyond to provide world-class care to patients with coronavirus and we are supporting them in every way we can.

We are today banning the parallel export of more than 80 crucial medicines to protect patients in the UK and help ensure they can always get the treatments they need.

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## **HMRC late payment interest rates to be revised after Bank of England cuts base rate following second emergency meeting**

HMRC interest rates for late payments will be revised following the Bank of England's second interest rate reduction to 0.1%.

The Bank of England Monetary Policy Committee, following its second emergency meeting, voted on 19 March (2020) to decrease the Bank of England base rate to 0.1% from 0.25%.

HMRC interest rates are linked to the Bank of England base rates and as a consequence of the change, HMRC interest rates for late payments will decrease.

These changes will come into effect on:

- 30 March 2020 for quarterly instalment payments
- 7 April 2020 for non-quarterly instalments payments

Repayment interest rates remain unchanged.

Information on the interest rates for the payments will be updated shortly.

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## **Coronavirus (COVID-19): scientific evidence supporting the UK government response**

During a response to a virus of this nature, it is imperative that the public is confident the government has based its decisions on a representative range of the most up-to-date science advice. In the case of COVID-19, the Scientific Advisory Group for Emergencies (SAGE) has been providing ministers and officials with free and frank advice throughout, based on external scientific evidence and a wide source of essential information.

In fast moving situations, transparency should be at the heart of what the government does.

We have therefore published the statements and the accompanying evidence to demonstrate how our understanding of COVID-19 has continued to evolve as new data emerges, and how SAGE's advice has quickly adapted to new findings that reflect a changing situation.

Government Chief Scientific Adviser Sir Patrick Vallance:

This is an incredibly fast-moving, developing situation and as part of our collective efforts to give the clearest and most reliable scientific advice, SAGE has and continues to draw upon a huge range of experts and a huge range of evidence.

The UK is home to experts who are at the forefront of their chosen fields and we are making full use of their expertise to grow our understanding of COVID-19 as we work tirelessly to tackle this disease.

The collective evidence we have published today has played a considerable role in shaping our recommendations on when, how and why the government have made the interventions it has so far.

## **Background to SAGE**

The [Scientific Advisory Group for Emergencies \(SAGE\)](#) provides ministers and officials with evidence-based scientific advice in emergencies, ensuring government advisers are informed and best-placed to make critical decisions based on a range of credible scientific evidence.

The advice provided by SAGE is one of many essential sources of information that government weighs up before adopting new policies and interventions, and gives maximum assurance that the complexities and implications of any policy have been properly considered.

SAGE relies on external science advice, including advice from expert groups and their papers. In the case of COVID-19, this includes the [New and Emerging Respiratory Virus Threats Advisory Group \(NERVTAG\)](#), [Scientific Pandemic Influenza Group on Modelling \(SPI-M\)](#) in the Department for Health and Social Care, and the Independent Scientific Pandemic Influenza Group on Behaviours (SPI-B).

These groups consider the scientific evidence, and provide their consensus conclusions to SAGE. Both the evidence they have considered and their consensus statements have been included in this current batch of evidence.

## **The growing evidence base on COVID-19**

Contained within this release are the methods and findings that have informed SAGE advice on the COVID-19 outbreak to date.

Among the papers referenced here, some are pre-prints. These are academic

papers that have not yet been through the peer-review process, which can take months, and have been drawn upon by SAGE to ensure that the most current evidence is being reviewed in order to provide rapid advice to policy makers.

Some of the bespoke new modelling that SAGE has drawn upon to formulate its conclusions has not yet been published here. This is to allow scientists time to publish their research through the right academic channels.

As our understanding of the virus grows, we will continue to feed into the essential scientific advice needed by the government to respond to the virus. During this time, we will update these pages with the evidence we are collecting to keep the public informed, while also continuing to provide free and frank advice to policy makers.

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## [Three crop rule relaxed and £6 million fund for farmers](#)

The Government is announcing new measures today (Friday 20 March) to help farmers recover from recent flooding.

A £6 million pot of funding to help farmers recover from flooding in February will be provided through a further extension to the Farming Recovery Fund.

Support will be available for farmers affected by recent flooding in parts of East and North Yorkshire, Gloucestershire, Worcestershire, Shropshire, Staffordshire, Nottinghamshire and Herefordshire.

The Environment Secretary has also confirmed today that the government intends to relax the crop diversification requirements known as the “three crop rule” for farmers for 2020, as farmers in flooded areas have suggested they will have difficulty complying with the rule this year.

The three crop rule was brought over from EU law when the UK left the EU on 31 January, and requires farmers managing more than 30 hectares of arable land required to grow at least three different crops on that land. Farmers with smaller land-holdings are also subject to crop diversification requirements.

With large swathes of farmland in England under floodwater for most of February, the government is pursuing plans through Parliament to relax this rule for all farmers for 2020 so those who are unable to access their flooded land to plant spring crops over the coming weeks and months will not be unfairly penalised. The amendment will be made for Parliament’s approval as soon as possible.

Environment Secretary George Eustice said:

I have seen first-hand how devastating the recent floods have been to people and communities. For farmers, the costs can be overwhelming, which is why we have extended the Farming Recovery Fund to help those affected by exceptional flooding get back on their feet.

The Three Crop Rule is not practical in extreme weather events when farmers need to plan their spring cropping. Applying a blanket derogation for this year is the best way to reduce bureaucracy and leave farmers free to get on with farming.

I'm also aware that the spread of the coronavirus (Covid-19) is causing other difficulties for the farming community. The Rural Payments Agency is working tirelessly to ensure farmers have access to all the guidance they need and we are exploring all options to ensure the right support is available in the coming weeks and months.

Under the Farming Recovery Fund, affected farmers in eligible areas can claim for grants between £500 and £25,000 to cover a number of uninsurable repair costs, such as the re-cultivation of farmland, including re-seeding, replanting cover crops and alleviating soil compaction.

The Farming Recovery Fund was opened to support the recovery from the June and July 2019 floods in North Yorkshire and Lincolnshire, and then was extended to cover the further flooding in parts of South Yorkshire, Gloucestershire and the Midlands in November 2019. Today's announcement brings the total funding that the government has made available for farmers to recover from exceptional flooding, during 2019 and the first two months of 2020, up to £10 million.

More information on the application dates for the extended Farming Recovery Fund will be released in due course, which will include details on how to apply and guidance on eligibility within affected counties. The [Farming Recovery Fund handbook](#) has more detail for those eligible under previous funding rounds.

Farmers who have been affected by recent flooding and who have already repaired damage caused by the flooding should keep records of all relevant evidence, including receipts and before and after photos, in order to help the RPA process eligible applications promptly.

When the amendment to the three-crop rule has been made and approved by Parliament, all farmers will be notified of this.

All farmers whose land has been flooded can [access existing guidance around CAP payments](#) on GOV.UK.