

Competition and Consumer Protection Commission Annual Report

31 October 2014 – 31 December 2015



Coimisiún um
Iomaíocht agus
Cosaint Tomhalt

Competition and
Consumer Protection
Commission

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1. Introduction

The establishment of the Competition and Consumer Protection Commission (“the CCPC”) on 31 October 2014 heralded a new era for consumer protection and competition policy in Ireland. The newly established CCPC was structured to effectively realise our mission of making markets work better for consumers and businesses. In designing the structure of the organisation we sought to fully harness the extensive expertise and experience that existed across both legacy organisations, the Competition Authority and the National Consumer Agency.



Our staff

Before I talk about some of the achievements of the CCPC’s first 14 months of existence, I would like to acknowledge the contribution of the CCPC staff at this crucial time. Their skills, dedication and passion have shaped the CCPC and working together we continue to develop the potential of our organisation. In 2016, the CCPC has embarked on a significant recruitment programme. With a growing complement of committed and expert staff, I am confident we have an excellent template for success in the coming years.

Our inaugural report presents the various outputs the CCPC has produced against each of the strategic goals we have set out. In summary, the main highlights are:

Strategic goal one: We will use our enforcement and regulatory powers to make markets work better and get the best results for consumers. We:

- Issued 29 Compliance Notices to traders who breached consumer protection legislation,
- Prevented 33,819 products from entering the market because of product safety concerns,
- Conducted reviews of 88 notifiable mergers,
- Reviewed 74 allegations of competition law breaches and opened two large-scale formal investigations,
- Issued authorisations for 737 credit intermediaries.

Following an investigation by the CCPC, the DPP decided to charge an individual and undertaking with entering into a bid-rigging agreement.

Strategic goal two: We will promote the benefits of competition and consumer protection through our advocacy and public awareness activities. We:

- Conducted eight consumer behaviour market research pieces and one market survey in the vehicle insurance market,
- Published eight formal consultation responses and recommendations,
- Published two sets of guidelines in line with the Action Plan for Jobs and made one appearance at an Oireachtas Committee.

Strategic goal three: We will empower and equip consumers to make informed choices and assert their rights. We:

- Received 1,814,571 visits to consumerhelp.ie,
- Conducted nine public awareness campaigns in relation to consumer rights and personal finance,
- Received 50,924 contacts from consumers via our helpline.

Strategic goal four: We will continue to develop as a results-driven organisation that aspires to the highest standards in everything we do. We:

- Developed a new set of prioritisation principles for the CCPC,
- Completed four internal audits and implemented recommendations,
- Submitted quarterly reports against Key Performance Indicators to the Department of Jobs, Enterprise and Innovation,
- Completed four cross functional projects.

In addition there were four key organisational achievements during the first 14 months:

- **The amalgamation to establish the CCPC** required the commitment of substantial resources to ensure we would be operational on 31 October 2014. Without the concerted efforts of our staff, this would not have been achievable so I am very grateful to everyone for helping us to manage the transition so successfully.
- **The creation of effective structures and broader insights.** The rationale for the amalgamation was the creation of one independent organisation with a 360-degree perspective on consumer and market issues. Considerable thought went into our structure to make this happen. The new organisation has a broader insight into market issues than either of the legacy organisations, whether they relate to a failure to comply with competition law, consumer protection concerns or a combination of these factors.
- **Investing in staff.** In 2015 this was a central priority. With the changing shape of the organisation, staff members were provided with the opportunity to develop new professional skills in a number of areas, including investigative techniques. This was complemented by our organisational structure, which seeks to utilise the skills and expertise of our staff to the greatest possible extent. And we commenced a significant recruitment drive to bring our staff numbers up to the required level, which will begin to bear fruit in 2016.
- **A strategic focus across our broad, economy-wide remit.** It is important that the CCPC is working to make the greatest impact. In 2015, we produced our strategy statement for the period up to and including 2018 and set out our prioritisation principles. These documents ensure that the work we do is targeted at the areas of greatest harm to consumers and that our decision-making process is transparent.

Looking Forward

Our prioritisation principles continue to help us strike a balance within our work in terms of promoting compliance among traders with legislation, deterring harmful commercial practices and pursuing effective enforcement actions.

In 2016 we will continue to prioritise our resources so as to ensure our work has the greatest possible impact. A priority for us in 2016 relates to the purchase of second hand vehicles. A number of Divisions are working in parallel with a common goal to ensure that traders comply with relevant legislation and consumers are able to make more informed purchasing decisions.

We will continue to ensure that markets in Ireland are open and competitive and that consumers are protected and able to assert their rights when they need to. We will address barriers to competition and we will not hesitate to use our powers where we have evidence that anti-competitive behaviour is occurring.

As an organisation, we are very confident that the structures we have built, combined with our strategic focus and strengthened resources, will help us achieve our mission; to make markets work better for consumers, businesses and the wider economy.



Isolde Goggin – Chairperson



2. Overview of the CCPC

The amalgamation of the National Consumer Agency and the Competition Authority on 31 October 2014 created a single, unified organisation responsible for both competition and consumer protection in Ireland.

The CCPC has a broad mandate, covering all sectors of the economy, with statutory responsibility for the enforcement of competition and consumer protection law. As well as our enforcement responsibilities, the CCPC has a duty to promote competition and consumer welfare. This is done in a variety of ways, including conducting research, undertaking studies, publishing papers and making submissions to inform and influence Government policy. The CCPC publishes guidance documents to inform and assist stakeholders and other interested parties in understanding the scope and content of competition and consumer protection laws. The CCPC's consumer helpline and website provide information to consumers to help them make informed decisions and assert their rights. We offer impartial information about personal finance and promote personal financial education. The CCPC also has specific responsibilities in relation to the safety of consumer products, alternative dispute resolution and the regulation of grocery sector business relationships.

Mission, Vision and Values

The CCPC's mission is to make markets work better for consumers and businesses. Our vision is for open and competitive markets in which consumers are protected and empowered and businesses actively compete.

The CCPC's values of effectiveness, efficiency, impartiality, excellence and respect translate our vision into the actions and decisions we make every day and set the standards we expect of each other in our work and in our engagement with stakeholders.

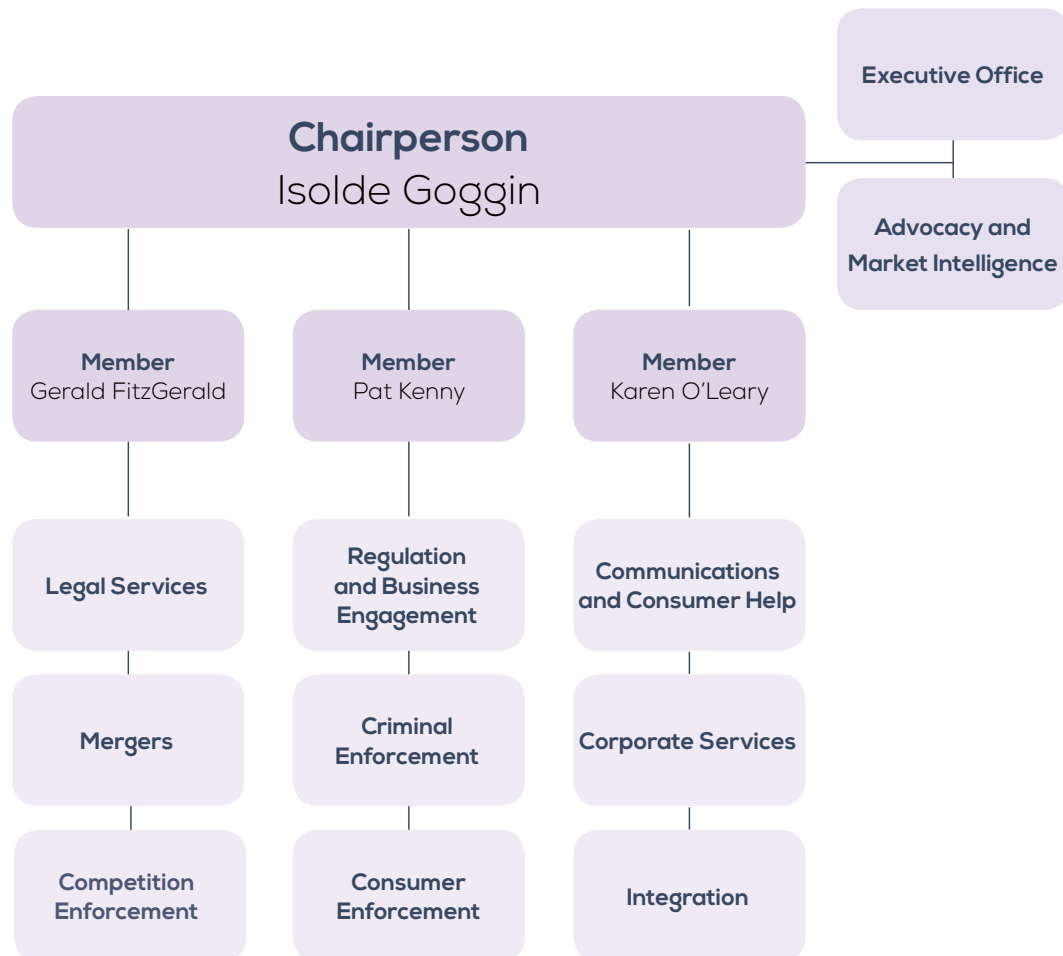
The CCPC is committed to:

- Using our enforcement and regulatory powers to make markets work better and to get the best results for consumers.
- Promoting the benefits of competition and consumer protection through our advocacy and public awareness activities.
- Empowering and equipping consumers to make informed choices and assert their rights.
- Continuing to develop as a results-driven organisation that aspires to the highest standards in everything we do.

The Competition and Consumer Protection Commission's Structure

The CCPC is governed by an Executive Chairperson and Commission with Members. The Chairperson and Members form a collegiate decision-making Commission for key statutory decisions, in addition to having individual whole-time executive responsibilities. The Competition and Consumer Protection Act 2014 allows for a Chairperson and between two and six Members of the Commission.

Isolde Goggin is the Chairperson of the CCPC. From October 2014 in addition to the Chairperson, there were four Members – Stephen Calkins, Gerald FitzGerald, Patrick Kenny and Karen O'Leary – each of whom oversaw a number of Divisions in the CCPC. In August 2015, Stephen Calkins left the CCPC.



Members of the Commission December 2015



Isolde Goggin – Chairperson

Isolde Goggin is the Chairperson of the CCPC. In the first 14 months of the CCPC, Isolde oversaw the Advocacy and Market Intelligence Division and the Executive Office Unit. She was previously the Chairperson of the Competition Authority, from October 2011 until October 2014. She took up her present responsibilities on 31 October 2014 upon the amalgamation of the Authority with the National Consumer Agency.



Gerald FitzGerald – Commission Member

During the first 14 months of the CCPC, Gerald FitzGerald was responsible for the Mergers, Competition Enforcement and Legal Services Divisions. He was first appointed as a Member of the Competition Authority in July 2010 and took up his present responsibilities on 31 October 2014 upon the amalgamation of the Authority with the National Consumer Agency.



Patrick Kenny – Commission Member

For the first 11 months of the CCPC, Patrick Kenny was the member with responsibility for Criminal Enforcement and Regulation and Business Engagement. He assumed responsibility for Consumer Enforcement on the departure of Stephen Calkins in August 2015. He was first appointed as a Member of the Competition Authority in January 2012 as Director of the Cartels Division. He took up his present responsibilities on 31 October 2014 upon the amalgamation of the Authority with the National Consumer Agency.



Karen O'Leary – Commission Member

For the first 14 months of the CCPC, Karen O'Leary oversaw Communications and Consumer Help, Corporate Services and Integration. Before the amalgamation, She was Chief Executive of the National Consumer Agency. She took up her present responsibilities on 31 October 2014 upon the amalgamation of the Competition Authority with the National Consumer Agency.

Staffing

While demands on our resources continued to increase in 2014 and 2015, falling staff numbers, continued to be a challenge, particularly in light of the additional workload due to the amalgamation of the legacy organisations and the establishment of the CCPC.

At the point of establishment, both legacy organisations had a number of vacancies. This meant that almost all Divisions carried vacancies. The CCPC used the opportunity created by the scale of the vacancies to consider carefully what skills were needed and at what levels. In 2015 the CCPC received sanction to recruit 25 positions across various Divisions - to backfill some positions and also to help resource new responsibilities. As of 31 December 2015, the CCPC had 86 staff members and recruitment had begun to fill a number of the vacancies.

Corporate Governance

The Chairperson is responsible for the running of the organisation and its corporate governance. The Chairperson is assisted in this by the Members and other senior executives.

The Commission meets once a month for formal discussions (including statutory decisions), where the Chairperson and Members act as a collegiate decision making unit. Each Member and the Chairperson has a vote and the Chairperson can cast a decision vote where necessary.

Organisational matters are progressed through informal meetings, discussions and consultation between the Chairperson and the Members. As far as possible operational decision-making is delegated to individual Members and staff members.

The CCPC's organisational structure aims to achieve the maximum in terms of efficiency and integration and is kept under review to ensure outcomes are being delivered in line with strategic goals.

Accountability – Our Service Level Agreement

A service level agreement (SLA) is in place between the CCPC and the Department of Jobs, Enterprise and Innovation (DJEI), which is reviewed on an annual basis. The SLA is a requirement set by the Government under the Public Service Reform Programme. The CCPC prepares quarterly reports for the DJEI, outlining how we have fulfilled our commitments under the SLA.

The CCPC also takes steps to ensure an appropriate control environment by:

- Scheduling regular meetings at which the Members are provided with updated reports of expenditure,
- Establishing an Audit Committee. Its terms of reference include ensuring systems that continually enhance and guarantee internal financial control,
- Clearly defining management responsibilities, with corresponding accountability,
- Monitoring and reporting on progress,
- Adopting the principles of corporate governance contained in the Code of Practice for the Governance of State Bodies including:
 - Affirmation of compliance with procurement guidelines as set out in the Code,
 - Affirmation of compliance with disposal of assets and access to assets by third parties as set out in the Code,
 - Review and finalisation of policies and procedures to ensure the effectiveness of the systems of internal financial control,
 - Establishing formal procedures to monitor the activities and safeguard the assets of the organisation.

Service Charter

The CCPC has a Service Charter, available in the 'About Us' section of our website at www.ccpc.ie, which sets out our commitment to a high quality service. Any complaint regarding the services of the CCPC is investigated as a matter of priority.



3. Report on Performance

Our Strategic Priorities

In order for the CCPC to work towards its mission of making markets work better for consumers and businesses, we will;

Strategic Goal 1:
Use our enforcement and regulatory powers to make markets work better and get the best results for consumers.
Strategic Goal 2:
Promote the benefits of competition and consumer protection through our advocacy and public awareness activities.
Strategic Goal 3:
Empower and equip consumers to make informed choices and assert their rights.
Strategic Goal 4:
Continue to develop as a results-driven organisation that aspires to the highest standards in everything we do.

Strategic Goal 1

We will use our enforcement and regulatory powers to make markets work better and get the best results for consumers.

The CCPC has a wide range of enforcement and regulatory powers, which cover competition law, consumer law, and regulatory functions in the areas of credit intermediaries, grocery goods and alternative dispute resolution. Enforcement is a core activity for the CCPC and we are committed to using our powers effectively.

Our enforcement tools range from prosecutions on indictment (in the case of hardcore criminal breaches of competition law) to Summary Prosecutions, Prohibition Orders, Contravention and Compliance Notices for some offences, and Fixed Payment Notices for lower-level breaches of certain legislation. We can also use undertakings or commitments as enforcement tools to change behaviour where appropriate. While we will not hesitate to enforce the law when necessary, we encourage businesses to take a proactive approach to compliance.

Key Performance Indicators:

- A. Enforcement actions taken/outcomes achieved.
- B. Investigations opened and concluded.
- C. External activities – searches, inspections.
- D. Applying international best practice in merger assessment.
- E. Regulatory applications/returns processed.

Highlights of our enforcement activity in 2015 are detailed in the following pages. A full list of all consumer enforcement actions is contained in the Consumer Protection List (CPL) in Appendix 1.

A. Enforcement Actions Taken/Outcomes Achieved

Cartel Offences

Cartels are considered the most serious form of anti-competitive conduct and are treated as criminal breaches of competition law. This means cases must be proven beyond a reasonable doubt. Where the CCPC finds evidence, we refer a file on the case to the Director of Public Prosecutions (DPP) for prosecution. On conviction, individuals can face prison sentences of up to ten years and both individuals and companies can be fined up to €5m or 10% of turnover, whichever is greater.

In 2015, following an investigation by the CCPC into allegations of anti-competitive activity in the industrial flooring sector, the DPP decided that an individual and an undertaking should be charged with entering into a bid-rigging agreement in breach of section 4 of the Competition Act 2002.

Civil Competition Enforcement - Booking.com

In October 2015, the CCPC secured binding commitments from Europe's largest online travel agent, Booking.com, in relation to its "Best Price Guarantee" clause that prevented hotels advertising on Booking.com from offering lower room rates on other platforms, or on offline booking channels. These commitments mean that accommodation providers in Ireland can now offer different rates to different online agents and to consumers who contact them directly – for example, by email or over the phone. The commitments enable increased competition amongst businesses operating in this sector.

Civil Competition Enforcement - Glasnevin Trust

Funeral-related services are, by their nature, purchases that consumers have to make in the most difficult and stressful circumstances. As such, it is a sector in which transparency and compliance with competition and consumer protection law is of paramount importance. Following an investigation by the CCPC's Competition Enforcement Division into alleged anti-competitive practices by Glasnevin Trust, a provider of funeral services in the greater Dublin area, the CCPC sought a number of remedial measures from the company. These measures, relate to the provision of burial plots, headstones and headstone foundations. Glasnevin Trust also agreed to increase transparency regarding prices to consumers and funeral directors, who play a significant role in this market.

Consumer Enforcement in the Retail Sector

The CCPC maintains a Consumer Protection List, which details traders against whom we have concluded enforcement action. 2015 was a busy year for our Consumer Enforcement teams.

Enforcement action taken in the retail sector in 2015 may be summarised as follows (more details about the offences and the traders are contained in Appendix 1):

- 19 Compliance Notices were issued to traders who were found to be in breach of consumer protection legislation, for example the Consumer Protection Act 2007.
- 33 Fixed Payment Notices (fines) were issued to traders found to be in breach of price display legislation, following 111 inspections nationwide. The penalty in each case was €300, to be paid within 28 days.

Vehicle Offences

It is an offence under consumer law for a trader to mislead a consumer as to the true mileage (or odometer reading) of a vehicle.

In December 2015, Mr Brian Fassnidge, formerly operating at Motorcity Naas Road, 15 Naas Road, Dublin 22, was sentenced following his conviction for supplying a dangerous product and for providing misleading information. Mr Fassnidge was sentenced by Judge John O'Neill to pay €4,000 in total in fines, €10,000 in costs and €1,000 in compensation to consumers. This was in addition to the €17,200, which Mr Fassnidge had repaid to the affected consumers. This was the CCPC's first conviction under the General Product Safety Directive relating to the sale of a dangerous product.

Car clocking is a cause of significant consumer detriment as it misleads the consumer as to the true value of the car. Therefore, given the amount of money involved and the resulting consumer detriment, detecting such offences is a priority for the CCPC. In 2015, the CCPC also took enforcement action against Phoenix Motor Company. An investigation into the company's online advertising found that the company misled consumers by advertising a false mileage for a car that was for sale. Misleading consumers in relation to the usage or prior history of a motor vehicle by stating an incorrect mileage is a misleading commercial practice and a criminal offence under the Consumer Protection Act 2007. A Compliance Notice was issued, compelling the company to ensure that all future advertising is fully accurate.

Following a complaint from a consumer in October 2015, the CCPC began an investigation into the sale of a car bought from McCormack's Car Sales Limited, Dublin Road, Sligo. Having purchased the car the consumer had discovered a number of faults which had to be repaired. They also discovered other issues that they were not made aware of at the time of purchasing the car, including the fact that the car was crashed twice, in 2007 and 2009. The consumer also suspected the odometer of the car had been interfered with. During the investigation, McCormack's Car Sales accepted all of the issues raised by the consumer and acknowledged that the car had been extensively damaged because of road traffic accidents, about which the consumer was not informed. The trader also accepted that the odometer reading at the time of the accident in December 2009 was significantly higher than when the car was sold to the consumer in March 2014. In December 2015, the consumer came to an agreement with McCormack's Car Sales, including the provision of an alternative car and compensation. In view of the remedies implemented by McCormack's Car Sales Limited, the CCPC accepted an undertaking of certain obligations by McCormack's Car Sales Limited in respect of used cars intended for sale by the trader.

Compliance with the Consumer Rights Directive

Following the coming into force - in Ireland - of the European Union (Consumer Information, Cancellation and Other Rights) Regulations 2013, referred to as the Consumer Rights Directive (CRD) in June 2014, the CCPC has been monitoring compliance by businesses with the legislation. In 2015, we reviewed the websites of certain Telecommunications providers and online retailers in particular, the information given to consumers in relation to their cancellation rights. The CRD gives consumers buying goods online a cooling-off period during which they have the right to cancel an order for any reason within the specified period. Under this legislation, traders are also obliged to provide information to consumers about their cancellation rights before they make a purchase. Following a review of their websites, seven companies - Arnotts, eir (eircom Limited and eircom trading as eMobile), Expert Ireland, Meteor, Three, UPC (now trading as Virgin Media Ireland) and Vodafone - were considered not to be compliant with different aspects of the CRD. The CCPC issued Compliance Notices notifying each of the companies that they had breached consumer protection legislation, directing them to correct the information they provide and to change their cancellation process.

Unsafe Products

From 31 October 2014 to 31 December 2015, the CCPC investigated 571 product safety cases. The CCPC's close co-operation with Customs authorities resulted in 20 consignments, containing approximately 33,819 products, being detained and investigated by our Product Safety Unit. The goods in question were varied and ranged from assorted toys, lasers, electronic IT equipment, low voltage items and plugs/adaptors. Following the investigations, the CCPC concluded that all of these consignments would be prevented from entering the market, as the products were deemed unsafe. Nine of these consignments, containing approximately 21,606 products, were destroyed or re-exported to the country of origin and 11 consignments, containing approximately 12,213 products, are currently detained pending destruction or disposal.

In October 2015, the CCPC became aware of reports of unsafe "Hoverboards" across Europe and initiated an investigation into the safety of these products. Following this, Customs notified the CCPC of the arrival of a consignment of approximately 1,400 Smart Balance Wheels (Hoverboards). Following an examination by the CCPC, a number of serious safety concerns were identified which resulted in their importation being suspended and they were re-exported to the country of origin. The CCPC opened further investigations and in December 2015 took enforcement actions against a number of Hoverboard sellers/importers pursuant to the Low Voltage Electrical Equipment Regulations 1992 (Appendix 2). The CCPC issued Directions requiring retailers and importers not to place non-compliant Hoverboards on the market.

The CCPC's ongoing investigations continue to find evidence of Hoverboards with non-compliant and potentially unsafe plugs and fuses, as well as significant issues with the cables, chargers and the battery packs.

B. Investigations Opened and Concluded

Investigating Cartel Offences

In the period under review, the CCPC opened one cartel investigation into allegations of a criminal breach of competition law in the aviation sector. As part of this investigation, authorised officers of the CCPC conducted a search in the sector. This investigation is ongoing. Following extensive investigations, two cartel investigations were closed during this period in the procurement and retail sectors.

Cartel Immunity Programme

The CCPC in conjunction with the Director of Public Prosecutions (DPP) operates a Cartel Immunity Programme. The Cartel Immunity Programme provides a unique mechanism to help uncover cartels and provide witnesses for the criminal prosecution of cartel members. Under the programme, the CCPC acts as an intermediary between the DPP and the applicant who is seeking immunity from prosecution in return for providing evidence in a criminal trial. In January 2015, the CCPC in conjunction with the DPP published a new and revised Cartel Immunity Programme. The new programme removed a previous bar on an instigator company qualifying for immunity. However, given the nature of the cartel offence it maintained a ban on immunity for a company that coerced others to join or remain in the cartel. With the new programme, there is also enhanced legal certainty for those applying for immunity from prosecution. In addition, the revised programme is better aligned with the EU Model Leniency Programme.

Vehicle Crime and Pyramid Schemes

As part of the new organisational structure, in January 2015, vehicle crime investigations and pyramid scheme investigations were moved, along with cartels, to the new Criminal Enforcement Division of the CCPC. The Criminal Enforcement Division deals with a mixture of lengthy cartel cases and shorter-term investigations such as the selling of dangerous cars, which can have huge implications for consumers. The new structure also broadens the range of enforcement tools to address problems identified. During the time period of 31 October 2014 – 31 December 2015 seven vehicle crime investigations were opened, two of which ended in enforcement action as set out in page 14. Two investigations into pyramid schemes were also opened.

Investigating and Challenging Anti-Competitive Behaviour

The CCPC encourages any individual or business that is aware of anti-competitive behaviour to contact us and provide evidence as to the nature of the activities. In 2015, the CCPC received 74 allegations of competition law breaches. Upon receiving a complaint, the CCPC screens the information provided to establish whether, prima facie, the complaint falls within our statutory remit. If this is the case, the complaint will then be assessed in order to determine whether a breach of competition law has, in fact, occurred or is likely to occur. The majority of cases involving allegations of non-cartel anti-competitive conduct were closed following the completion of a preliminary investigation due to insufficient evidence.

In the relevant period, two large-scale formal investigations were opened in respect of anti-competitive agreements and two investigations were closed. Significant resources were, and continue to be, concentrated on an investigation into allegations of anti-competitive behaviour in the bagged cement industry.

National Association of General Practitioners

In 2015, the CCPC expressed concerns to the National Association of General Practitioners (NAGP) that its conduct amounted to a campaign designed to encourage members to engage in a collective boycott, contrary to EU and Irish competition law. The NAGP had advised GPs not to sign a contract for the provision of free GP services to the under-6s with the HSE. This followed action previously taken against the Irish Medical Organisation (IMO), which resulted in the IMO providing undertakings to the High Court in 2014 not to organise a collective boycott by its members in protest against the reduction of certain fees paid by the State for GP services.

Protecting Consumers from Unsafe Products

The CCPC monitors product safety and recall issues on a national and international basis to ensure all recalls affecting products on the Irish market are notified by the relevant duty holders. The CCPC is the Irish contact point of a Europe-wide rapid alert system for unsafe products called RAPEX, which contains a list of all product recalls that have taken place in the European Union. When we are informed about a product through RAPEX, we examine the information to assess whether the product is available on the Irish market and, if so, take appropriate action. This can include circulating information to businesses, publishing alerts on our website consumerhelp.ie and alerting consumers using social media. For the period under consideration, 2,655 alerts were processed, 139 of which related to Ireland.

Volkswagen Investigations

In November 2015, the CCPC opened a formal investigation following the disclosure that Volkswagen AG had provided “incorrect declarations” to the German type-approval authority. The CCPC commenced an investigation into the issue of nitrous oxide emissions in Volkswagen vehicles in order to determine whether the use of a defeat device in a vehicle could give rise to a breach of Irish consumer protection law. The CCPC also instigated an investigation into the disclosure that Volkswagen

AG had provided “incorrect declarations” about CO₂ emissions of certain Volkswagen AG manufactured motor vehicles. As at 31 December 2015, both investigations were ongoing.

C. External Activities – Searches, Inspections

Enforcing Competition Law

Along with investigating breaches of competition law relating to cartels, the CCPC also investigates suspected anti-competitive behaviour, such as abuse of dominance cases and anti-competitive agreements. In the course of carrying out an investigation, the CCPC may issue summons and conduct searches to obtain information to assist with its investigation. Authorised officers of the CCPC can enter or search any premises or dwelling with a warrant issued by a District Court. Between 31 October 2014 and 31 December 2015, the CCPC carried out five searches, in relation to an investigation into anti-competitive agreements in the bagged cement industry. Almost 40 CCPC staff were involved in inspections without notice at business premises, with assistance from members of An Garda Síochána.

In November 2014, a competition authority located in another EU Member State requested the assistance of the CCPC in an investigation that the authority was carrying out. Pursuant to this request, the CCPC carried out inspections at premises in Dublin in late November 2014, with the participation of personnel from both the CCPC and the requesting authority. These searches were undertaken on foot of warrants issued by the District Court.

Enforcing Price Display Legislation

The CCPC undertakes regular ‘pricing blitzes’ to assess compliance with price display legislation and also to check that consumers are not charged more at the till than the price displayed. In 2015, there were 111 business premises inspections across the country to check that traders were compliant with price display legislation. Where traders were found to be in breach, the CCPC took action to ensure compliance (as detailed in the CCPC’s Consumer Protection List in Appendix 1.).

D. Merger Review

Under Part 3 of the Competition Act 2002, as amended, the CCPC is responsible for reviewing certain proposed mergers and acquisitions. Mergers and acquisitions, which meet certain financial thresholds and other conditions, must be notified and cannot be implemented until the CCPC issues a Determination approving the transaction. The CCPC has established procedures for the review of notified mergers and has published guidelines outlining how it assesses notified mergers, which follow best international practice. All procedures and guidelines are published on ccpc.ie.

The Competition and Consumer Protection Act 2014 made a number of important amendments to the merger review regime. These changes included adjustments to the financial thresholds for mandatory notification of mergers, removal of the obligation on firms to notify a merger within any specific time period, and the extension of the maximum time periods for review of notified mergers.

As a result of the adjustment to the financial thresholds for mandatory notification, there has been a significant increase in the number of mergers notified to the CCPC. This may, however, in part be reflective of a general increase in mergers and acquisition activity at both national and international levels. The intention of the revised thresholds was to create a better-targeted regime focusing more closely on mergers that have a potential competitive impact in Ireland. The previous thresholds tended to catch many transactions, which had no such impact, thereby creating an unwarranted burden

on businesses and inefficiently tying up CCPC resources. The new thresholds have addressed that problem, but the lower individual threshold of €3 million has resulted in a number of smaller, domestic transactions becoming notifiable. The CCPC is in the process of reviewing the financial threshold levels and is discussing them with the Department of Jobs, Enterprise and Innovation. However, any change to these thresholds is a matter of Government policy and will require the enactment of new primary legislation.

The adjustment in the length of time the CCPC has to review a proposed merger saw the number of days change from calendar days to working days. This brought the Irish merger regime more in line with the EU regime. The CCPC aims at all times to make sure that mergers are reviewed in a timely manner so that transactions, which do not impede competition, are not held up. At the same time, since our role is to actively protect the interests of consumers, the CCPC has the power to prohibit mergers where it finds that the merger will lead to a “substantial lessening of competition” in the market affected by the merger.

For simple “Phase 1” mergers notified between 31 October 2014 and 31 December 2015 which raised no competition issues, the CCPC took an average of 24 working days to issue a Determination. Where the parties to Phase 1 mergers were required to provide further information before the CCPC could conclude that the merger raised no competition issues, the timing of a Determination depended on how quickly the parties provided the requested information. On average in such cases, the CCPC took 63¹ working days to issue a Determination. Three 2-Phase Determinations were issued during the period 31 October 2014 and 31 December 2015 (see below for more detail). Phase 2 mergers involve an in-depth investigation of the likely impact of the proposed merger on competition and therefore take much longer to process than Phase 1 mergers, particularly where divestment commitments are required. On average in these cases, the CCPC took 103 working days to issue a Determination following notification to the CCPC.

Between 31 October 2014 and 31 December 2015 the CCPC, received 88 merger notifications compared to 48 in the corresponding period for 2013/14 (see Diagram on page 19).

Seven of the 88 merger notifications received by the CCPC over the period 31 October 2014 to 31 December 2015 required either an extended phase 1 investigation or a full (phase 2) investigation (see Table 1 below).

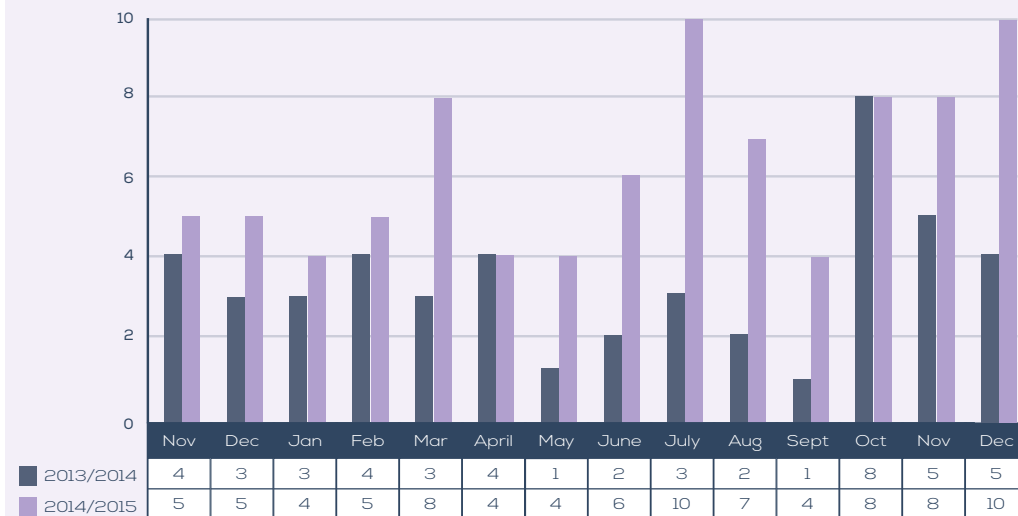
Table 1: Extended phase 1 and phase 2 Merger Investigations, 31 October 2014 to 31 December 2015

Extended Phase 1	Phase 2*
<ul style="list-style-type: none"> • M/15/009 – BWG/Londis • M/15/039 – Liberty Global/TV3 • M/15/045 – Pat the Baker/Irish Pride • M/15/059 – Paddy Power/Betfair • M/15/077 – Uniphar/Murray Medical • M/15/026 – Baxter Fannin 	<ul style="list-style-type: none"> • M/15/020 – Topaz/Esso • M/15/026 – Baxter Fannin

*During the period 31 October 2014 to 31 December 2015 the CCPC also proceeded to carry out a phase 2 investigation concerning – Valeo/Wardell/Robert Roberts that was notified on 17 October 2014.

1. The 63 working days average includes approximately 15 working days during which the parties were compiling the information requested by the CCPC.

Comparison of Merger Notifications Received, November 2013 to December 2014 v November 2014 to December 2015



Phase 2 Merger Investigations

M/14/026 – Valeo / Wardell / Robert Roberts

On 17 October 2014, the proposed acquisition whereby CapVest Equity Partners II, L.P. (“CapVest”), the owner of Valeo Foods Group Limited (“Valeo”), would acquire sole control of Wardell Roberts Limited (“Wardell”) and Robert Roberts (NI) Limited was notified. The 2-phase investigation undertaken by the CCPC examined the competitive impact on the market in relation to 20 separate food products, concluding that for 19 of these products the transaction raised no competition concerns. However, in one product market, namely the market for “brown sauce”, the CCPC concluded that the transaction would result in a reduction from three to two competitors and was likely to lead to a substantial lessening of competition in that market. The CCPC cleared the proposed transaction on 17 February 2015 after taking into account binding divestiture proposals submitted to the CCPC by Valeo whereby Valeo committed to divest the YR brand of brown sauce.

M/15/020 – Topaz Investments Limited / Esso Ireland Limited

On 14 April 2015, the CCPC received a notification of a proposed acquisition whereby Topaz Investments Limited (“Topaz”) would gain control of Esso Ireland Limited (“Esso Ireland”). The notification was pursuant to a referral decision adopted by the European Commission under Article 4(4) of the EU Merger Regulation on 27 March 2015. During the 2-phase investigation, the CCPC identified competition concerns arising from the proposed transaction concerning: (1) fuel terminalling at Dublin Port – where the transaction would reduce the number of terminal operators from four to three; and (2) a number of identified petrol forecourts where the transaction would substantially lessen competition in local areas. In October 2015, the CCPC cleared the proposed transaction based on binding divestiture proposals submitted by Topaz to divest certain businesses to be acquired from Esso Ireland, namely:

- Its share and interest in a sea-fed terminal located in Dublin,
- Three of its company owned and operated fuel retail service stations in the Dublin area.

M/15/026 – Baxter Healthcare Limited / Fannin Compounding

On 21 October 2015, the CCPC cleared the proposed acquisition whereby Baxter Healthcare Limited (“Baxter Healthcare”) acquired certain assets of Fannin Limited. The assets to be acquired were those used in the manufacture and supply of aseptically prepared compounded medicines (“Fannin Compounding”). Following notification on 9 June 2015, the CCPC undertook an extensive 2-phase investigation. This investigation included economic analysis of the affected markets, evidence from competitors, customers (including public and private hospitals and the Health Service Executive) and consultation with other interested third parties (including the National Cancer Control Programme and the Health Products Regulatory Authority).

In the course of its review, the CCPC identified certain concerns relating principally to the significant reduction in competition for the commercial supply of compounded chemotherapy medicines to hospitals in the State following the acquisition. In accordance with the CCPC’s published “Guidelines for Merger Analysis”, the parties submitted evidence to the CCPC to support their view that Fannin Compounding was a “failing division” of Fannin Limited. This means Fannin Compounding was not trading profitably and would have ceased operating if not sold and the assets involved would have exited the market if the transaction was prohibited.

The CCPC undertook an in-depth review of the failing division argument submitted by the parties; including seeking evidence from relevant third parties and engaging the services of Grant Thornton Chartered Accountants to independently examine financial information pertaining to Fannin Compounding. The result of this analysis was that, in the CCPC’s view, the competitive structure of the relevant market would deteriorate to at least the same extent in the absence of the proposed acquisition. The CCPC therefore formed the view that the proposed acquisition would not, of itself, substantially lessen competition in any market for goods or services in the State. On that basis it approved the merger. This was the first case in which the CCPC (or its predecessor organisation) cleared a notified merger where the “failing firm” defence was used.

Media Mergers²

Under sections 18(1)(b) and 18(5) of the Competition Act (as amended by section 55(a) of the 2014 Act), where a proposed merger or acquisition falls within a class of merger or acquisition specified in an order made by the Minister for Jobs, Enterprise and Innovation, it must be notified to the CCPC irrespective of the turnover of the undertakings involved. One such class of mergers that has been specified relates to media mergers.³

Over the period from 31 October 2014 to 31 December 2015, the CCPC received seven media merger notifications (see Table 2 below). All of these media mergers were unconditionally cleared by the CCPC during phase 1. Only one of the notifications, namely M/15/039 – Liberty Global/TV3, required an extended phase 1 investigation. The merger whereby Liberty Global plc, through its indirect wholly owned subsidiary Virgin Media Limited, acquired sole control of TV3 Television Network Limited was notified to the CCPC on 21 July 2015. Following an intensive and extended phase 1 investigation, which included ongoing contacts with the parties and obtaining the views of competitors and suppliers and the merger, was unconditionally cleared on 2 October 2015.

2. Part 3 of the Competition Act 2002, as amended, introduced substantial changes to the review of media mergers in the state. In addition to the mandatory requirement to notify the CCPC, media mergers are also required to be notified to the Minister for Communications, Marine and Natural Resources in order that they may assess the impact of the merger on the plurality of the media in the State.

3. A media merger is a merger or acquisition where (i) two or more of the undertakings involved carry on a media business in the State; one or more of the undertakings involved carries on a media business in the State and one or more of the undertakings involved carries on a media business elsewhere.

Table 2: Media Merger Notifications received by 31 October 2014 to 31 December 2015

M/15/08	Discovery/Setanta Sports Asia
M/15/18	Southbank Media/N-Vision
M/15/39	Liberty Global/TV3
M/15/47	Nikkei/Financial Times Group
M/15/60	Trinity Mirror/Local World
M/15/69	ITV/UTV
M/15/74	eir/Setanta

International Merger Activity

The CCPC is required to attend and participate in EU merger advisory committees when it considers there is a significant interest to Ireland. Over the period 31 October 2014 to 31 December 2015 the CCPC was actively involved in the European Commission's investigations into a number of proposed mergers, which included the following:

- M.7307 – ESB/Vodafone
- M.7421 – Orange/Jazztel
- M.7541 – IAG/Aer Lingus
- M.7550 – CRH/Holcim Lafarge
- M.7555 – Staples/Office Depot
- M.7612 – Hutchison 3G UK/Telefonica
- M.7817 – McKesson/UDG
- M.7899 – Couche Tard/Topaz

E. Regulatory Applications/Returns Processed

Credit Intermediaries and Pawnbrokers

The CCPC has specific responsibility for the authorisation of credit intermediaries, for maintaining a public register of such intermediaries and for the licensing of pawnbrokers. During 2015, we issued authorisations for 737 credit intermediaries (compared to 670 for the same period in 2014) and received related fee income of €449,200.⁴

Four pawnbroking licences were issued, as follows (also licensed in 2014):

- Carthy Pawnbroking Limited, Marlborough St, Dublin 1.
- Kearns Pawnbrokers and Jewellers Limited, Queen St, Dublin 7.
- John Brereton Pawnbrokers Limited, Capel St, Dublin 1.
- D.B.E. Pawnbrokers Limited, MacCurtain St, Cork.

As part of the licensing process, we inspected the pawnbrokers' premises to ensure compliance with the relevant legislation. Fees of €5,079 in total were remitted to the Department of Jobs, Enterprise and Innovation in relation to these applications.

New Regulatory Functions

Under the Competition and Consumer Protection Act 2014, the CCPC was also given responsibility for ensuring compliance with new Regulations, which govern aspects of the contractual relationships in the grocery sector, between food and drink suppliers, on the one hand, and retailers and wholesalers, on the other. In 2015, the CCPC commenced the resourcing of this new function, which took effect from April 2016.

In 2015, following on from EU legislation in relation to alternative and online dispute resolution (ADR / ODR), the CCPC was also assigned responsibility for assessing applications from bodies who wish to be registered as ADR entities under the new EU regime and for the enforcement functions related to ODR. The CCPC was one of the first relevant EU bodies to assess and approve an ADR entity.

4. This income is remitted by the CCPC to the Department of Jobs, Enterprise and Innovation.

Strategic Goal 2

We will promote the benefits of competition and consumer protection through our advocacy and public awareness activities.

The CCPC's mission is to make markets work better for consumers and businesses. The CCPC's advocacy and public awareness activities play an integral role in promoting the benefits of competition and consumer protection for the whole of the Irish economy. The CCPC's advocacy role involves representing consumers' interests in the public policy debate. This involves engaging with Government, its agencies and public bodies about the merits of competition and consumer protection.

Key Performance Indicators:

- A. Research projects including survey perceptions of competition and our organisation.
- B. Formal consultation responses and recommendations published.
- C. Working group participation.
- D. Stakeholder representations.
- E. Ministerial studies.
- F. Advocacy for competition and consumer rights.

A. Research Projects Including Survey Perceptions of Competition and Our Organisation

The CCPC carries out research to gain market insights and help inform our priorities and activities. The highlights from some of the research projects are as follows.

Consumer Detriment Study in Ireland, November 2014

Total financial detriment amounted to almost €500m.

The CCPC's Consumer Detriment Study in November 2014 was the first study of its kind in Ireland. The study identified and analysed the extent and nature of consumer detriment, translating the detriment into monetary amounts. The objective of the study was to determine how much consumers had lost because of problems with products or services they had purchased.

A nationally representative sample of 2,504 respondents was surveyed and an analysis of the results showed that 44% of consumers reported that they had experienced a problem following the purchase of a product or service within the previous 12 months. The study showed that at a conservative estimate, the total financial detriment experienced by consumers in this period amounted to almost €500m (€495,069,150).

The results of this study built significantly on our existing understanding by highlighting not only the areas where consumers have problems but also the cost in money and time, as well as the actions taken and the outcomes. Studies like this help us to gain a deeper understanding of the kinds of structural or market failure problems within the economy. The study also provided the CCPC with an evidence base for future prioritisation and effective targeting of resources.



Gift Voucher Research, December 2014

One in four consumers (25%) have lost out at some point by letting a gift card or voucher expire.

To coincide with the Christmas season, the CCPC published research on the buying intentions and habits of consumers in relation to gift vouchers. Our survey of more than 1,000 consumers found that:

- 41% of our sample of more than 1,000 consumers had bought gift vouchers in the previous 12 months, with the same number planning to buy a gift voucher that Christmas.
- 50% of those who had purchased vouchers as gifts in the previous 12 months said that they hadn't checked the conditions of use, while 29% hadn't checked the expiry dates.
- Of those that had received vouchers, 28% stated that they hadn't checked the expiry dates, 53% hadn't checked the terms and conditions of use and 69% hadn't checked for information regarding fees and charges.

Mortgage Holding and Switching, November 2015

Just 2% have actually switched their mortgage in the past 5 years.

A consumer behaviour study undertaken through a face-to-face survey of 1,001 adults aged 16 and over provided interesting findings on the levels of mortgage holding and switching and the perceived barriers to switching among consumers.

- Only about one in seven mortgage holders have thought about switching or actively engaged with their mortgage provider in the past five years.
- Just 2% have actually switched their mortgage in the past 5 years.
- The main reasons cited for not comparing or switching mortgages are
 - Not thinking that switching would yield any benefit,
 - Never really considered switching and,
 - Currently being tied into a tracker (or for some, a fixed) mortgage.
- A quicker, more efficient switching process and clear and transparent information on the upfront costs involved in switching were cited as the top two suggested methods which might encourage switching.

Switching Research, November 2015

Three in every four households budget for their expenses.

A consumer behaviour study undertaken through a face-to-face, in-home survey of 1,001 adults aged 16 and over provided interesting insight to the switching behaviours of consumers. It found that:

- Almost half of consumers (48%) have switched at least one product or service in the last 12 months.
- The highest sectors for switching are car insurance (29%), electricity supply (18%), and gas (17%) and main grocery shop (17%).

Budgeting, Income & Expenditure Research, November 2015

Three in every four households budget for their expenses.

A consumer behaviour study undertaken through a face-to-face, in-home survey of 1,001 adults aged 16 and over provided interesting findings on financial management. It found that:

- Three in four households budget for their household expenses, with budgets being predominantly on a weekly basis (three in five); three in ten households budget on a monthly basis.

- Three in five respondents save regularly, with women showing the highest likelihood to save.
- Over half of consumers believed that the recession had taught us to better manage our finances (53%), while 44% believed that they are now constantly looking out for better value.

Buying Online – Consumer Behaviour November 2015

Goods/products continue to be the main items purchased online (77%).

This study of consumer online buying behaviour was undertaken through a face-to-face, in-home survey of 1,001 adults aged 16 and over. Its main findings were that:

- Goods/products continue to be the main items purchased online (77%), while 67% have purchased flights/holidays/hotels online.
- The incidence of Irish adults shopping online remains relatively stable at 58% (55% in 2014). Nevertheless, some cohorts have become more active online shoppers, with the main increases among 50 to 64-year-olds (+16%), those living in Leinster (+7%) and those in rural communities (+7%).
- The main issues experienced with purchasing online have been with delivery.
- Awareness that non-EU online purchases are subject to different rights and that a “cooling-off period” exists have both increased vs. 2014 (+8%pts and +12%pts respectively), however 44% and 27% of consumers respectively are still not aware of their existence.

Toy Safety, October 2015

Four in ten consumers would still buy a toy without the CE mark.

This study on toy safety awareness and consumer behaviour was conducted in November 2015 and found that:

- Age recommendation is a consideration for three in four toy purchasers and almost three in five consider other toy safety aspects, such as safety certification (34%) and the presence of detachable/small parts (32%).
- Among toy buyers, one in three (33%) spontaneously mentioned expecting to see the CE mark.
- Four in ten consumers would still buy a toy without the CE mark.

Personal Loans, May 2015

The vast majority of loans are from Credit Unions: 60% of recent loans and a probable 70% among intending borrowers.

This research of consumer behaviour in relation to personal loans was conducted in May 2015.

- 9% of Irish adults aged 18 and over have taken out a loan in the past 12 months and 6% are considering taking out a loan in the next year.
- Car finance (41%), holidays (25%) and home improvements (20%) are the main reasons cited for having taken out a loan. For those planning to take out a loan, 33% will be for car finance, with 29% being loans for home improvements.
- The vast majority of loans are from Credit Unions: 60% of recent loans and a probable 70% among intending borrowers.
- Almost half (46%) of borrowers did not do any research before taking out their last loan and awareness of APR rates is low, with 57% not knowing the rate.

Motor Insurance Survey (published March 2015)

Survey shows consumers can make potential savings of up to €1,249.

The CCPC's Motor Insurance Survey in 2015 showed that consumers could make significant savings by comparing different providers when buying a new policy and encouraged consumers to actively compare the costs, risks and benefits. The survey compared motor insurance quotes from eight insurance providers based on nine different driver profiles, which varied in age, location, driver experience and lifestyle factors.

The survey revealed that potential savings vary depending on the level of cover required and the individual's circumstances. For comprehensive cover, the difference in quotes received was found to be between €156 and €1,249. For third party, fire and theft, the difference in quotes ranged from €137 to €975.

The key findings of the CCPC's survey included:

- Getting quotes from more than just one insurer before you take out a policy can lead to significant savings. If you get a better quote from another company, it may be worthwhile checking if your existing provider is prepared to match or improve on the quote to keep your business.
- The survey found that an increase from two to six penalty points could result in you paying up to 37% more for comprehensive cover and 49% more for third party, fire and theft. You may find it difficult to get cover if you have over six penalty points.
- Choosing to pay for the policy in instalments may be a good way to spread out the cost of your insurance but it can cost you. Many providers included an additional charge for this service, ranging from 9.5% to 20.1% of the price of the policy.
- Having a higher policy excess may lower the cost of the premium but the excess will have to be paid if a claim is made on the policy. This means you must pay the first portion of any loss or damage to your car. For example, if the excess on your policy is €300 and you make a claim for €1,300, you would only receive up to €1,000 from your insurer if your claim were successful.
- Building up a no-claims bonus will make a significant difference to your premium.

PRICE Lab - Consumer Decision Making Research

PRICE Lab (Programme of Research Investigating Consumer Evaluations) is a collaborative research programme in behavioural economics, undertaken by the ESRI, and has been underway since 2013. The programme is jointly funded by the CCPC, the Central Bank of Ireland, the Commission for Energy Regulation and the Commission for Communications Regulation.

PRICE Lab focuses on how well consumers make decisions when faced with multi-attribute products – essentially, the aim is to examine when products become too complex for consumers to choose accurately between good and bad options. The programme has adapted psychological insights to develop a set of methods for investigating the quality of consumer decision-making. In 2013/2014, the programme focused on establishing the infrastructure (equipment, software and systems for recruiting participants) and then moved on to running a series of theoretical experiments. During 2015, a series of experiments was conducted that applied the methods developed in PRICE Lab to specific regulatory issues relating to consumer protection in a number of markets.

The current phase of the programme was completed in 2015 and outputs were being finalised with a view to publication during 2016.

B. Formal Consultation Responses and Recommendations Published

Submissions

National Transport Authority (NTA) consultation on wheelchair accessible public transport

The CCPC has previously engaged with the NTA in relation to the provision of wheelchair accessible vehicles in the taxi sector. In 2015, the NTA initiated a consultation regarding accessibility in the licensed bus sector. The CCPC welcomed the proposed phased approach to improving accessibility in the bus sector but pointed out the importance of any specific initiatives not inadvertently impeding the development of competition in the sector - compliance costs relating to accessibility should not place private operators at a competitive disadvantage when competing with public operators and in effect become a barrier to entry.

Department of Finance consultation regarding amalgamation of Financial Services Ombudsman and Pensions Ombudsman

The CCPC raised concerns about the existing time limitations for dealing with consumer complaints being unnecessarily restrictive, given the long-term nature of many financial products, such as mortgages, investment products, pensions, life and payment protection insurance policies.

CORU (Regulator for Health and Social Care Professionals) regarding the code of conduct for optometrists and dispensing opticians

The CCPC has a role in reviewing the Codes of Conduct for various health and social care professionals to ensure that they do not raise competition concerns. In 2015, we reviewed changes to the Codes of Conduct for optometrists and dispensing opticians and concluded that there was nothing, which would be likely to prevent, restrict or distort competition.

Commission for Energy Regulation (CER) regarding Irish Water's first-fix leak repair policy

The CCPC provided input to CER on various aspects of the proposed policy, from a consumer protection perspective - relating to eligibility, timelines, prioritisation, rental properties etc.

European Commission Study regarding Public Service Obligations (PSO) on public transport (Regulation 1370/2007)

EU Regulation 1370/2007 prompted reform of Irish legislation governing the licensing of bus passenger traffic and created a platform for the development of a competitive public transport system. The Government subsequently committed to opening up 7-10% of the Public Bus Service/PSO contracts to competitive tender in 2016. The CCPC welcomed these developments. We expressed concern however regarding the attractiveness of routes being offered for competitive tender, the potential for the tendering process to favour incumbent operators and the desirability of a more pro-competition approach to the licensed bus passenger sector by the National Transport Authority.

Department of Health regarding online sales of non-prescription medicines

In 2015, new regulations were introduced in Ireland to govern the online sale of non-prescription medicines. The CCPC welcomed the new regulations and noted that they provided some additional protections to consumers. We put forward some suggestions aimed at increasing the positive impact on consumers. We also proposed that the possibility of regulating online sales of prescription medicines in Ireland should be examined to determine how best to guarantee patient safety, while at the same time ensuring that consumers have access to the widest possible choice of suppliers and get value for money when purchasing prescription medicines.

Central Bank consultation regarding the introduction of a Central Credit Register

This initiative originated in the EU/IMF Programme of Financial Support for Ireland. The CCPC supported the creation of a Central Credit Register as a means of enhancing consumer protection and promoting greater competition in the provision of credit.

Department of Finance consultation regarding the EU Directive on Payment Accounts

The CCPC considered that implementation of the Payment Accounts Directive can be a driver of greater competition in the personal current account market and facilitate consumers getting better service and value. The CCPC welcomed measures, which improve the quality of information available to consumers, thereby enabling them to make more informed comparisons and facilitating switching.

Competition in the Irish Ports Sector

In 2013, the CCPC (through its legacy organisation, the Competition Authority) made a number of recommendations designed to improve competition in the Irish Ports sector. In 2015, we continued to work with the Department of Transport to ensure that these recommendations are implemented. While progress has been made in a number of areas, we believe there is scope for further progress with regard to aspects of the leasing and licensing arrangements of Dublin Lift on-Lift Off terminals and with regard to stevedore licencing arrangements. We will continue to push for progress in these areas in the coming year.

C. Working Group Participation

The CCPC engages with a number of international bodies, sharing knowledge and best practices.

- **European Competition Authorities Mergers Working Group:** There has been a lot of activity in the ECA Mergers Working Group relating to the working arrangements of the advisor under the EU Merger Regulations.
- **International Competition Network:** The ICN provides competition authorities with an informal platform for maintaining regular contacts and addressing practical competition concerns. It is the only international body devoted exclusively to competition law enforcement and its members represent national and multinational competition authorities. Members produce work projects through their involvement in flexible project-oriented and results-based working groups.
 - The CCPC attended the annual meeting in Sydney in April 2015.
 - The CCPC also attended ICN 2-day workshops on international co-operation and major remedies in merger cases in Brussels in September 2015 and on co-operation and convergence in sanctioning international cartels in Columbia in October 2015.

- **European Competition Network:** The European Commission and the national competition authorities in all EU Member States cooperate with each other through the European Competition Network (ECN). This creates an effective mechanism to counter companies, which engage in cross-border practices restricting competition.
 - The CCPC participated in co-ordinated action with a number of other EU Competition authorities throughout 2014 and 2015 to remedy identified competition concerns in the Online Travel Agent (OTA) sector. In particular, the CCPC concluded that the Best Price Guarantee clause offered by certain OTAs, including Booking.com, was likely to have the effect of restricting competition in the provision of hotel rooms to guests. Given the significant cross-border dimension to this market, the CCPC worked closely with other EU Competition authorities to implement remedies, which would have common effect across Member States and signed Agreements and Undertakings with Booking.com in 2015, which lifted certain pricing and availability restrictions placed by Booking.com on hotels, which contracted with it. Booking.com then rolled out the operative terms of the Agreements and Undertakings throughout the EEA on a unilateral basis, and Expedia followed suit shortly thereafter. The CCPC is currently participating in an EU-wide monitoring programme to assess the effectiveness of the implemented remedies.
 - The Directors General of EU competition agencies meet twice a year to discuss issues of major significance in EU competition law. Our Chairperson attends these meetings.
- **OECD:** The CCPC contributes and takes part in the OECD Competition Committee. Much of the work carried out by this body focuses on the background and framework of competition policy, and how competition authorities can learn from each other and from academic work to improve their effectiveness.

During the time frame of this report the CCPC made the following contributions and presentations to the Committee:

- Presentation to the Roundtable on the Use of Markers in Leniency Programmes,
- Presentation on the institutional design of national competition authorities,
- A review of the OECD structural separation recommendation [e.g. in industries such as telecommunications and electricity],
- Presentation on the implementation of the recommendation on fighting bid rigging in public procurement.

Competition working group memberships

Steering group/working group/forum	Led by
EU Merger Working Group	European Competition Network
Food Subgroup	European Competition Network
Banking and Payments Subgroup	European Competition Network
Technology Transfer Block Exemption Working Group	European Competition Network
Insurance Block Exemption Regulation Working Group	European Competition Network
Working Group on Competition Issues and Due Process	European Competition Network
Cartels Working Group	European Competition Network
Agency Effectiveness, Cartels, Mergers, Unilateral Conduct and Advocacy working groups	International Competition Network

Consumer working group memberships

Steering group/ working group/forum	Led by
Communications Subgroup – Implementation Group on Generic Substitution and Reference Pricing	Department of Health
International Network of Financial Educators	OECD
Irish Water Stakeholder Forum	Irish Water
Consumer Stakeholder Forum	Commission for Energy Regulation
National Payments Plan and Associated working groups	Department of Finance
National Waste Forum	Department of the Environment, Heritage and Local Government
General Product Safety Committee	European Commission
RAPEX Committee	European Commission
Consumer Safety Network	European Commission
Prosafe	European Commission

D. Stakeholder Representations

Appearance Before Oireachtas Committees

Following on from previous investigation work by the CCPC into alleged anti-competitive practices in an aspect of the funeral business, the CCPC was invited to appear before a Parliamentary Committee and provide views on the necessity or otherwise for specific regulation of the sector.

Advice Provided to Government Departments and Public Bodies

The CCPC engaged directly with various Government Departments and provided input on topics including the following:

Government Department / Public Body	Topic
Dept. Jobs, Enterprise & Innovation	A new EU regime for ADR/ODR. Consideration of proposals regarding exemptions from competition law of certain categories of self-employed persons
Dept. Justice & Equality	Reform of the legal profession and the provisions of the Legal Services Regulations Act 2015
Dept. Children & Youth Affairs	Early childhood care and education scheme
Dept. Environment, Community & Local Government	Regulations providing for the introduction of a minimum pricing regime for the collection of household waste
Commission for Energy Regulation	Introduction of smart metering for domestic electricity / gas customers

The CCPC was also consulted on a range of legislative proposals being prepared for Government consideration during the year.

Working With Other Bodies

Section 19 of the Competition and Consumer Protection Act 2014 allows the CCPC to enter into arrangements with certain prescribed bodies to facilitate co-operation in the performance of their respective functions relating to (i) consumer protection and welfare issues, or (ii) issues of competition between undertakings. This allows the Commission to enter into co-operation agreements with various statutory bodies to facilitate co-operation, avoid duplication and ensure consistency between our actions and those of other statutory bodies.

On 11 November 2015, the CCPC and the **Commission for Communications Regulation** ('ComReg') signed a cooperation agreement in relation to their respective consumer protection functions. The agreement paved the way for increased engagement between the CCPC and ComReg on consumer protection issues. Through the exchange of information with ComReg, the CCPC has a greater ability to take a co-ordinated approach to consumer protection issues in the Irish telecommunications market. The agreement also allows the CCPC and ComReg to make the best use of available resources and ensure consistency between each organisation's actions.

In 2015, the CCPC also signed a Memorandum of Understanding with the **European Consumer Centre Ireland (ECC)** to provide a non-legally binding framework for the working relationship between the two organisations. The agreement recognises the importance of close co-operation between the CCPC and ECC Ireland to better serve consumers by addressing breaches of consumer protection legislation and ensures that there is an appropriate and timely flow of communication between them.

The CCPC also works with a number of different bodies including:

- **Central Bank of Ireland:** The CCPC and the Central Bank of Ireland (Central Bank) have parallel powers under the Consumer Protection Act, 2007 (CPA) and the Unfair Terms in Consumer Contracts Regulations in respect of financial services. The organisations routinely discuss matters of mutual interest in the financial services sector. Furthermore, the CCPC is also responsible for the provision of personal finance information to consumers and this work is funded by a levy on Financial Service Providers. In addition, a number of Central Bank staff are also working on secondment with the CCPC.
- **Commission for Energy Regulation:** During 2015, the CCPC engaged with the Commission for Energy Regulation (CER) on a variety of matters including the proposed approach by Irish Water to "first fix" leak repair and the proposed introduction of smart metering for domestic electricity/gas customers. Representatives of the CCPC attended meetings of CER's Consumer Stakeholder Group.
- **Office of the Revenue Commissioners (Customs Authorities):** The Product Safety Unit conducts market surveillance activities and liaises with other market surveillance bodies, including the Customs authorities, to prevent unsafe products coming onto the Irish market.
- **An Garda Síochána:** The CCPC conducted searches, with the assistance of An Garda Síochána, at a number of premises in the bagged cement sector in May 2015. In addition, a member of staff from the Garda Bureau of Investigation is also on secondment with the Criminal Enforcement Division of the CCPC.

E. Ministerial Studies As Requested

Action Plan for Jobs

Guidelines for business on consortium bidding

In December 2014, the CCPC published a guide for small and medium enterprises (SMEs) to help them comply with competition law when tendering for public contracts as part of a consortium. The guide delivers on a commitment in the Action Plan for Jobs and was part of a suite of measures intended to make it easier for SMEs to access procurement opportunities from Government. During 2015, the CCPC made presentations on the guidelines at a number of business seminars.

Guidelines on competitive neutrality

In 2015, the CCPC finalised a guidance document designed to assist policymakers in assessing the impact on competition of policy proposals. The guidance provides practical examples of how public policy can affect competition and sets out a checklist of questions, which can be used to check for likely competition impacts. A core section of the document is informed by earlier OECD work on competition impact assessment, which we adapted to fit the Irish context.

F. Advocacy for Competition and Consumer Rights

Advocating for Reform of the Legal Profession

The CCPC and its predecessor organisations, the Competition Authority and the National Consumer Agency, have long advocated for reform of the legal profession. The Competition Authority published a preliminary report on Competition in Legal Services in 2005, followed by a final report in 2006 (“Competition in Professional Services – Solicitors and Barristers”)⁵. The report found that competition in legal services was severely hampered by many unnecessary restrictions on the commercial freedom of buyers and sellers permeating the legal profession. These restrictions were found to limit access, choice, and value for money for those wishing to enter the legal profession and for those purchasing legal services. They went beyond their stated aim of protecting the public interest, and in reality did more to shelter lawyers from further competition. They were unrelated to the maintenance of standards in legal services and offered inadequate protection to consumers.

The Legal Services Regulation Bill was published in October 2011. It built on recommendations made in the aforementioned report and on other recommendations made by the Legal Costs Working Group.⁶ Among the most important recommendations was the introduction of an independent regulator - instead of the existing system of self-regulation by the Bar Council and the Law Society. The Bill provided for the establishment of a new regulator of both branches of the legal profession to protect and promote the interests of consumers. Significant and voluminous amendments were made to the Bill, particularly at Seanad stage debate in late 2015. The Legal Services Regulation Act was finally signed into law on 30 December 2015.

While not all of the CCPC concerns were fully addressed in the enacted legislation, the CCPC looks forward to the early establishment of the new independent regulatory body, the Legal Services Regulation Authority (“the LSRA”). The CCPC considers that the Legal Services Regulation Act provides a basis for further reform of the legal profession and the LSRA can serve as a key driver of such reform in the coming years. The CCPC will have a nominee on the Board of the LSRA and must be consulted when the LSRA is undertaking future reviews of the operation of the legislation.

5. <http://www.ccpc.ie/study-legal-professions>

6. Report of the Legal Costs Working Group, November 2005

Advocating for Greater Transparency

In August 2015, the CCPC urged retailers operating in Irish airports to be transparent with their customers as to the circumstances in which they collect VAT on behalf of the State and those in which VAT is not charged. This information would allow consumers to make an informed decision and decide if they wish to make purchases from the retailers operating in Irish airports. The CCPC's expressed concern following reports that airports in the UK were allegedly not passing on VAT reductions to consumers who were flying out of the EU.



Strategic Goal 3

We will empower and equip consumers to make informed choices and assert their rights.

In order for markets to work well, consumers must be able to exercise choice and assert their rights. This provides firms with the incentive to offer better value and to innovate in order to compete and win custom. Empowered consumers are more likely to search for value, take action when things go wrong and manage their finances effectively.

The Competition and Consumer Protection Act 2014 sets out the statutory role of the CCPC – to promote public awareness with the purpose of educating and providing information to the public in relation to consumer protection welfare and competition. It is also charged with promoting the interests of consumers by providing information in relation to financial services and the development of financial education.

The CCPC informs consumers of their rights by providing them with access to information when and where they need it – primarily through information campaigns, our consumer helpline and our consumer website. Along with our consumer website, consumerhelp.ie, we also have a corporate website, ccpc.ie, which provides information about the CCPC and its functions to a range of stakeholders.

Key Performance Indicators:

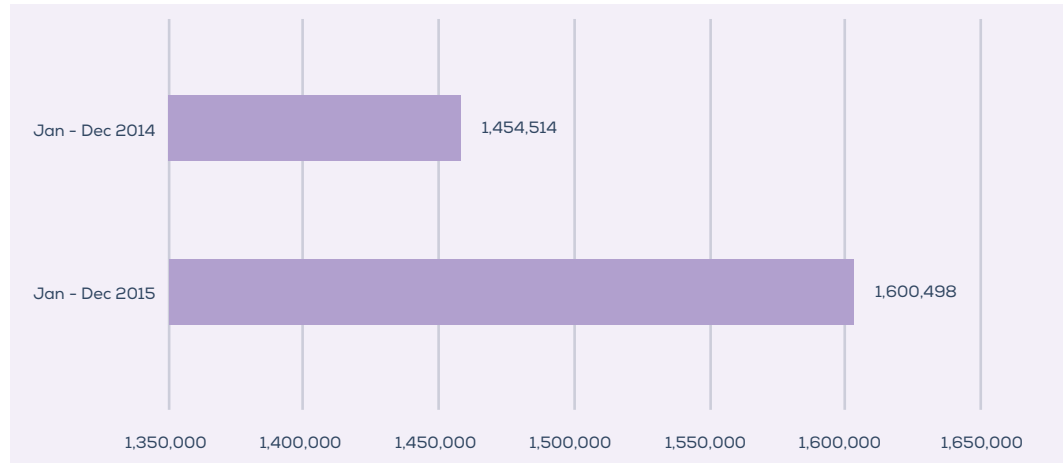
- A. Website visits and visitor engagement.
- B. Number of newsletter subscribers.
- C. Public awareness initiatives.
- D. Helpline consumer contacts.
- E. Organisations/groups reached with financial education programmes.

A. Website Visits and Visitor Engagement

Consumerhelp.ie

The CCPC's consumer website, consumerhelp.ie, provides information and tools to consumers on their rights and information to assist them in making personal finance decisions. The total number of visits to consumerhelp.ie for the period November 2014 to the end of December 2015 was 1,814,571. Comparing traffic to consumerhelp.ie in 2015 to that in 2014, there was a 10% increase.

Consumerhelp.ie Visits 2015 vs. 2014



consumerhelp.ie	Jan-Dec 2015	Jan-Dec 2014	% Difference
	1,600,498	1,454,514	10%

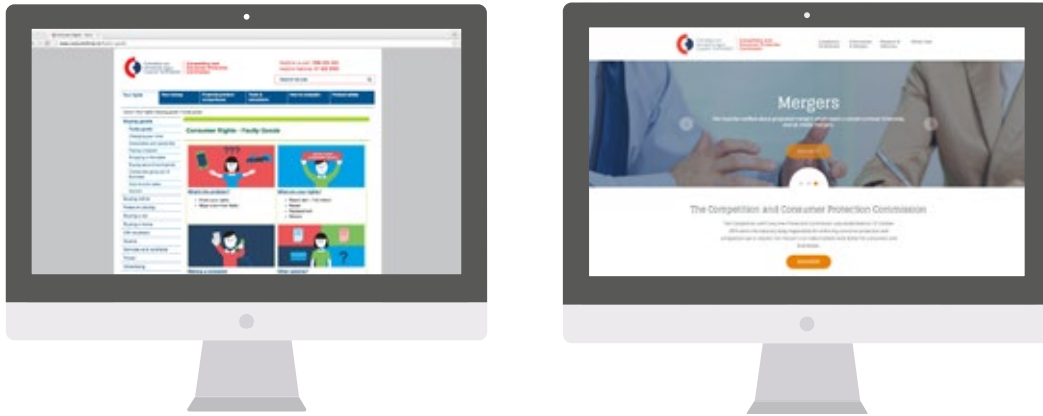
Most Visited Content

The CCPC's financial product comparisons featured among the most popular content on consumerhelp.ie, with the results from the lump sum savings account comparison being the most popular content. This was followed by the faulty goods landing page and the mortgage comparison tool results.

Most popular content viewed on consumerhelp.ie	No. of page views
Lump sum savings account comparison	269,563
Faulty goods	120,707
Mortgage comparison	92,675
Loan calculator	90,959
Lump sum savings account comparison	85,807
Your rights	73,348
Financial product comparisons landing page	58,876
Complaint letter template	56,936
Buying a car	52,715
Cars – your rights when things go wrong	51,011

Ensuring our content is effective

The CCPC has a feature on the site to request a rating from users of the site when they are on particular pages. The feature can be switched on and off and allows users to rate the usefulness of the content on the page in a range from 1 to 5 (where 1=not useful, and 5=very useful). Between November 2014 and the end of December 2015, the feature was active on nine key sections, with an average score of 4.25. The CCPC has a continuous improvement programme to evaluate the content it provides to consumers. Content is regularly reviewed and updated to take account of the latest market conditions as well as consumer experiences and behaviour.



Impartial information

The CCPC's financial product comparisons (www.consumerhelp.ie/compare) provide consumers with easy-to-use tools to compare the costs and benefits of financial products available from the main providers operating in the Irish market. In September 2015, our mortgage tool was redeveloped to include three distinct categories for first time buyers, home movers and switchers, significantly increasing the number of visitors to this particular section of the site. In the first 14 months of the CCPC, the comparisons accounted for 24% of the top 10 most-visited pages on consumerhelp.ie. At the end of December 2015, the comparisons featured 462 products across nine product categories. 796 updates were processed from 1 November 2014 to the end of December 2015.

CCPC.ie

The corporate website, ccpc.ie, went live at the end of April 2015 and has seen strong traffic since then.

The total visits to ccpc.ie from November 2014 to the end of December 2015 totalled 77,838 – this includes traffic to the interim ccpc.ie site.

Most visited content

Reflecting the fact that we are a new organisation, the most read content on ccpc.ie were pages relating to who we are and what we do. The page on merger notifications was also one of the most viewed pages.

Content viewed on ccpc.ie	No. of page views
What we do	14,026
News	13,668
Who we are	9,467
Current vacancies	8,707
Merger notifications	8,313
Get in touch	7,212
Enforcement and mergers	5,659
Compliance for business	4,216

Web visits for both sites for the period 31 October 2014–31 December 2015 totalled 1,892,409.

B. Number of newsletter subscribers

In 2015, the CCPC redesigned its monthly consumerhelp.ie newsletter, making significant changes to the format and style. To coincide with this, we also sent a reengagement email to inactive subscribers. The average open rate for the period was 33.59%, with an average click-through rate of 29.28%. The industry average open rate for newsletters is 26.2%, with an average click-through rate of 3.65%.

The most popular topics included product recalls, scams, switching energy providers and the financial product comparisons.

In 2015, the CCPC also ran an e-newsletter competition. Our objective was to drive sign-ups to the consumerhelp.ie e-newsletter and build our relationship with consumers. The campaign succeeded in getting 330 additional subscribers. We currently have 13,146 subscribers.

C. Public awareness initiatives

To fulfil the CCPC's statutory role in informing consumers about their consumer rights and the costs, benefits and risks of personal finance products, every year we develop and implement a number of tactical public awareness campaigns.

In 2015, the CCPC conducted the following information campaigns:

- Switching mortgages
- Buying online
- Faulty goods
- Personal loans
- Toy safety
- Gift vouchers
- Tackling credit card debt
- Buying a car
- Consumer rights after Christmas – shopping in the sales, returning goods, etc.



Examples of our campaigns

Switching mortgages

The mortgage switching campaign ran for eight weeks and finished in early November 2015. The aim of the campaign was to encourage mortgage holders to consider whether they were in a position to switch mortgage and, if so, to visit the mortgage-switching tool on the CCPC's consumer website to see how much they could save each month and over the lifetime of their mortgage. The campaign involved digital advertising, media partnerships and content pieces on targeted sites and social media, including promoted activity on Facebook. A new mortgage comparison tool just for switchers was also developed to coincide with the beginning of the campaign. Over the course of the campaign, the switching mortgage content on the CCPC's consumer website received almost 20,000 unique page views.

Buying online

The CCPC ran a five-week campaign from early November into December on consumers' rights when buying online. The timing coincided with the busy Christmas shopping period and also incorporated the weekend of Black Friday/Cyber Monday – key dates for online shopping. The objective of the campaign was to highlight to consumers the fact that they have specific rights when buying online from EU websites. Consumers were encouraged to visit the CCPC's consumer website to find out more. The campaign heavily utilised digital media to target those shopping online but also included radio advertising and a media partnership with a radio group, which ran on-air promotions up to, and across, the weekend of Cyber Monday. CCPC website content relating to buying online received 8,000 unique page views during the campaign, with video content on the topics viewed almost 48,500 times. Editorial content was developed by the CCPC about buying online and was read by over 16,000 consumers.



Faulty goods

A public awareness campaign commenced in April to raise consumers' awareness of their rights so they are empowered to take action if they buy a good and it later turns out to be faulty. A key message was that if a consumer buys something and it turns out to be faulty, they have rights. The campaign included a four-week radio campaign on urban and regional radio stations in two bursts. It also involved digital advertising, media partnerships and content pieces on targeted sites and social media, including promoted activity on Facebook. During the campaign, the faulty goods content on the CCPC's consumer website received over 43,500 unique page views with another 21,000 engaging with the content on other platforms.

Loans

A public awareness campaign commenced in June to inform consumers of what to think about when they are considering taking out a personal loan. Radio advertising ran for two weeks of June across national, urban and regional radio stations. Online display advertising ran across a broad network of websites. A range of media partnerships was set up featuring articles to encourage consumers to engage with the personal loans content on the targeted sites. As a result of the campaign, there were 19,300 unique visits to the loans content on the CCPC's consumer website, with over 25,400 views of loans-related content (supplied by the CCPC) in the form of editorial on targeted sites.

Media Engagement

The CCPC communicates important information through the media regarding our statutory remit and to advise consumers about the services we offer. As a new organisation, ensuring consumers and businesses are aware of the CCPC's role and remit was a significant priority in 2015.

Breakdown of CCPC media activity:

- In order for the CCPC to connect with relevant consumer audiences (who crucially may not be online) with timely content, we issue proactive communications to print, online and broadcast media. These take the form of Q&As, case studies and themed features across national and regional press. The CCPC supplied regional press with 46 articles, completed monthly Q&As in the national press and provided 15 articles about consumer rights and personal finance to magazines.
- The CCPC also engages with the media to communicate important corporate messages – such as enforcement action and guidance for businesses. In the period covered in this annual report, the CCPC proactively issued 26 communications to media covering a range of topics, including enforcement action, merger determinations and research.

An example of how the media helps us fulfil our statutory remit

In 2015, a serious product safety issue regarding Hoverboards was identified by the CCPC. Through our market surveillance, the CCPC identified a number of retailers and importers that were placing these products on the market and the CCPC opened investigations to determine the compliance of these products with EU and Irish product safety legislation. The media helped us communicate our concerns regarding the safety of Hoverboards to businesses and consumers through approximately 90 pieces of coverage.

Reaching new audiences

Ireland AM is the most watched breakfast show on Irish television, with almost 400,000 viewers a week on average. Between August 2015 and January 2016, the CCPC appeared on Ireland AM each month covering a range of topics including buying online, toy safety, checks to do before buying a car and managing credit card debt. In total, the segments reached 315,600 people. A specially developed set of video tips also reached over 2.5 million individuals on the CCPC's social media channels.

Social media channels provide a means of engaging with our wide range of stakeholders, as well as providing an additional channel to monitor issues affecting consumers and businesses. Our Facebook page has grown in followers by 58% since 31 October 2014 to 25,326 at 31 December 2015 and our posts during this period have had 5,885,093 views. Our Twitter following has also grown by 33% to 1,927 followers and our tweets had 419,996 impressions.

25 February 2015 – “Managing your money” promoted Facebook post

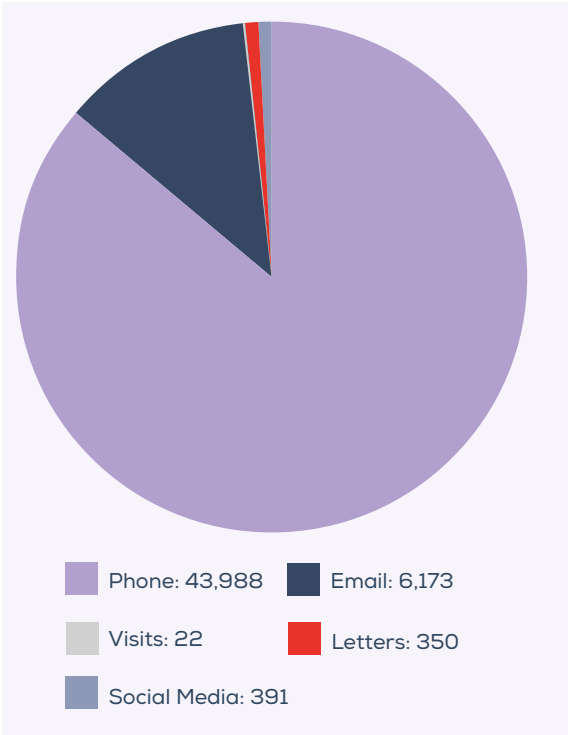
People reached	303,616
Likes, comments and shares	1,241
Post clicks	9,152



D. Helpline consumer contacts

The CCPC’s consumer helpline provides information to assist consumers in resolving issues that concern their consumer rights or issues they may be having with a financial product or service. 50,924 consumer contacts were received in the period from 1 November 2014 to 31 December 2015.

Consumer contacts



Top 10 companies prompting consumer contacts to the CCPC		
No.	Company	No. of contacts in 2015
1	eircom/eir	1,045
2	Vodafone	1,022
3	Three Ireland	1,016
4	UPC/Virgin Media	672
5	Meteor	578
6	Harvey Norman	522
7	Powercity	374
8	Argos	349
9	Currys	312
10	Sky	264

Top 10 products/services prompting consumer contacts to the CCPC		
No.	Sector	No. of contacts in 2015
1	Telecommunications	6,071
2	Vehicles and personal transport	4,700
3	Clothing/footwear/accessories	2,791
4	AV electronic and associated goods	2,532
5	Furniture and furnishings	1,772
6	Domestic appliances	1,769
7	House buildings/maintenance/improvements	1,707
8	Travel, transport and holidays	1,591
9	Fuel and utilities	1,190
10	Specialist and professional services	932

Top 10 issues prompting consumer contacts to the CCPC		
No.	Issue	No. of contacts in 2015
1	Goods and services – sale of goods issues	14,971
2	Contracts	8,205
3	Pricing	1,151
4	CRD/e-commerce	1,118
5	Customer service	655
6	Unfair commercial practices	575
7	Advertising	465
8	Product safety	401

The CCPC is unique in that our expertise is based on a broad remit, which allows us to look at the experiences and behaviours of consumers and businesses in a number of different contexts and markets, whereas other agencies may only deal with a specific sectors or issues. This broadens our understanding and allows us to better identify effective solutions. In order to identify emerging issues affecting consumers and businesses, we conduct analyses of the contacts we receive. This scrutiny allows us to pinpoint when issues affecting markets are pervasive and to focus our work on these areas to achieve the greatest impact in the Irish economy.

E. Organisations/groups reached with financial education programmes

Money Skills for Life

The CCPC's "Money skills for life" is a free, personal finance talk, which is delivered in the workplace. The programme offers information and tips on personal finance which attendees can use to make changes to help them better manage their money. The programme was launched in April 2012 and has reached 22,700 people through 600 talks. Each attendee receives a free handbook and planner to take away.

In the period November 2014 to end of December 2015, the programme delivered 58 talks around the country and almost 3,600 people have benefitted directly from attending. We have delivered talks in army barracks, prisons and on factory and shop floors, as well as in colleges, offices, community centres and many more locations to as few as five and as many as 200 people.



Money Matters – A Short Course in Personal Finance for the Junior Cycle

Over the last number of years, the Financial Education team have developed an online resource called Money Matters, which is a Junior Cycle short course on personal finance. Due to start in September 2016, it is a free and easy-to-use online teaching and learning resource for secondary students and their teachers. The short course features teacher guidelines, lesson plans, project ideas and a course specification, which builds students' capacity and skills to engage in self-directed learning, supports assessment for learning and provides ideas for assessment for accreditation.

The course is broken down into four unique strands, with each strand dealing with a different aspect of personal finance. The first two strands look at the concept of money, how it evolved over time and, in turn, helps students to develop a greater understanding of their relationship with money. Strand three allows students to think about taking control of their finances by focusing on different financial products and services and associated payment options. Strand four helps students become informed consumers by learning about consumer rights, by practising making complaints and through understanding insurance. Each of the strands contains lessons, projects, games or quizzes to help make the learning experience more enjoyable and interactive.

Money Matters is designed for teachers and students, with individual resource areas that can be accessed to provide more guidance in using the site and which provide general information on Junior Cycle teaching. As part of this process, users are encouraged to download our e-learning tutorials and complete our in-built feedback surveys to help us maintain an up-to-date, relevant and comprehensive learning environment.

Strategic Goal 4

We will continue to develop as a results-driven organisation that aspires to the highest standards in everything we do.

The creation of the CCPC presents a unique opportunity to form a new, independent and authoritative body with the knowledge and expertise to achieve the best outcomes for the economy, the State, businesses and consumers. As an organisation mainly funded by public resources, the CCPC must operate as effectively as possible and demonstrate that we provide value for taxpayers' money by delivering tangible results.

Key Performance Indicators:

- A. Successful cross-functional projects.
- B. Continuous improvement programmes delivered.
- C. Effective internal communication structures.
- D. Audit reports actioned and business risks actively managed.
- E. Effective training and development programmes implemented.
- F. Performance management applied actively and fairly.
- G. Effective procurement, cost savings and value for money initiatives.
- H. Data protection, ethics in public office, financial procedures.

A. Successful cross-functional projects

The Amalgamation

The creation of the CCPC was a major project, which absorbed considerable time and resources from the National Consumer Agency and the Competition Authority. Several aspects of this project continued after the formal inception of the CCPC, to ensure a smooth transition to the new organisation. This involved all Divisions. In 2015, a decision was made by the OPW to vacate one of the CCPC's premises at Harcourt Road. This created a critical project to move all staff to a single location at Parnell Square, resulting in 43 staff moving from Harcourt Road. The relocation process, which involved a move by 50% of staff, was successfully carried out within a very tight timeline in partnership with OPW and was testament to the efforts of the entire CCPC team, and in particular our Integration Unit. Staff showed great flexibility and commitment throughout.

Investigative Skills Project

In 2015, the organisation completed a project to define the attributes and skills for investigations across a number of areas in the CCPC in order to assist with role definition, recruitment and training programmes. At the time, all enforcement Divisions and Units had vacancies and there was an opportunity to explore the skills and attributes that are both common across the organisation and the levels that are needed for particular types of work.

The project group conducted a brainstorming session, desk research and liaised with other investigative agencies, both in Ireland and abroad.

The competency framework identified twelve personal traits and ten investigative competencies. This will assist the CCPC in the recruitment of appropriate skills and to develop training programmes to enhance and build on existing skills.

CCPC.ie Project

In 2015, the CCPC reached a significant milestone in our establishment and integration. Our new corporate website ccpc.ie went live and replaced the old organisation sites and the interim site. This was the culmination of a major project, initially part of the amalgamation programme. The project team consisted of staff from a number of different Divisions across the organisation.

Mock search training for Authorised Officers

The CCPC devotes considerable time and resources towards realistic operational training. The training is primarily focused on developing and maintaining the competencies and capabilities of Authorised officers so that they can operate in individual and team environments. A key training exercise in 2015 consisted of exercising over 40 staff drawn from all Divisions in the preparation and conduct of a large search. The exercise was conducted at an external training location under pressurised simulated conditions which tested the operational readiness, team cohesiveness and response of the CCPC. The overall performance of staff was of a satisfactory standard. Areas for improvement were identified and are being addressed in the current training year.

B. Continuous improvement programmes delivered

Organisation Development Strategy

The CCPC undertook a considerable amount of work to create a unified organisation on 31 October 2014. Following on from the establishment of the organisation, further work is necessary to manage a range of organisational requirements and challenges, to support the organisation in fulfilling its legislative remit. In 2015, the CCPC tendered for Organisation Development Strategy and Implementation support. The Strategy seeks to address the following:

- Ensuring key organisational and related HR processes are aligned to the Statement of Strategy and the new organisation's values,
- Developing appropriate organisational capacity through effective needs analysis, recruitment, retention, grading and training procedures using a defined delivery framework,
- Facilitating staff to maximise their contribution through performance based on professional responsibility and delegation with defined outputs,
- Supporting the development of work practices and behaviours based on cross-divisional collaboration, effective internal communications and continuous improvement,
- Assisting the CCPC to put in place and embed new organisational and HR processes, which are understood and supported by staff.

A service provider was selected in 2015 following a competitive tender process and work on development of the CCPC's Organisation Development Strategy commenced in 2015, with an internal Sponsor and Project Manager appointed.

Project Management

Adopting a single approach to project management is vital to ensure that all projects the organisation initiates are consistently scoped, managed and measured. In 2015, the CCPC commenced work on developing a bespoke in-house project management system. As part of this process, we examined best practice in other similar organisations internationally, assessed the findings of an Internal Audit report on the previous Competition Authority process and ran project management training. The project management system was approved by all Members of the Commission in December 2015.

Strategy Statement

During 2015, a project was completed to develop the CCPC's first three-year Strategy Statement, which runs from 2015 to 2018. In the course of developing this Strategy Statement, we consulted with a wide range of external and internal stakeholders, received written submissions from business and consumer representative groups, and conducted meetings with Government Departments, sectoral regulators, legal practitioners and academics.

Prioritisation principles

The CCPC is empowered to choose to act in the areas where we think we can most improve consumer welfare. Prioritisation allows us to focus our resources on the areas, which will ensure we are maximising our resources for the benefit of consumers, businesses and the economy.

For example, prioritisation helps us decide on the types of activities, enforcement

actions, advocacy issues, public awareness initiatives or other activity the CCPC might choose to carry out in order to improve consumer welfare.

In order to assist us in achieving our mission and to be transparent in respect of our choices we developed the following four high-level prioritisation principles during 2015. They are:

- Level of economic and/or physical harm,
- Likely impact of the CCPC's action,
- Strategic significance,
- Risks, resources and costs.

A common theme running through all the principles is that all interventions will be underpinned by information and evidence gathered as a result of market intelligence, contacts to our consumer helpline, research, investigation and international good practice. Information is then evaluated and processed to identify the source and size of the problem, in particular the scale of consumer detriment, primarily financial, but not exclusively.

C. Effective internal communication structures

Good internal communication systems enable messages to flow in multiple directions. We recognise the benefit that an informed, interested and committed workforce can give to the CCPC. Our internal communications function is a bottom up and sideways process across teams as well as the traditional top down. In 2015, our focus was on refreshing the existing internal communications channels and improving communication and engagement with staff overall.

The objectives of the CCPC's internal communications are to:

- Improve communication with staff so that they are engaged and informed about the work of the CCPC,
- Deliver internal communications which will help the CCPC to plan, filter and communicate key messages to staff in a co-ordinated manner,
- Utilising communications as a way to engage, motivate and recognise achievements,
- Encourage a sense of identification on the part of employees with our goals, mission and procedures,
- Create and embed a two-way communication culture.

When the CCPC was established, the immediate challenge was that staff were located in two buildings, each with its own, separate ICT system. Immediate steps were taken to deliver on requirements for new teams to be formed and 28 staff were moved either within their existing location, or to a new location. These moves also required some refits of existing office space and four staff needed to be bi-located.

Having two office locations created many challenges, particularly in terms of communication between staff and internal communications. The following initiatives assisted in overcoming these challenges:

- In June 2015, a project was completed to move both buildings onto a single ICT system. This brought immediate and tangible benefits in relation to file sharing, cross-Divisional working, document management and control over ICT assets,
- All staff seminars were held twice, once in each location, to ensure all staff had an opportunity to attend one of the meetings,
- Regular all-staff meetings were held in single off-site locations as neither building had capacity to host all staff,
- Weekly updates were issued to all staff to ensure consistent communication of notable developments and events.

D. Audit reports actioned and business risks actively managed

The CCPC's Audit Committee is independent in the performance of its functions and is not subject to direction or control from any other party. It has three external members and one CCPC member. They are; Noreen Fahy of the Institute of Public Administration, accountant Georgina Conroy, retired senior civil servant, Brian Whitney and Gerald FitzGerald, Member of the Commission.

During this period, the Committee directed that a number of audits be conducted on its behalf by Capita Consulting, the CCPC's internal auditors. The following Internal Audits were conducted in the period 31 October 2014 to end 2015:

- Procurement,
- Corporate Governance,
- Internal Financial Controls,
- Product Safety.

Recommendations were progressed in all cases, with progress on implementation reported to the Audit Committee.

E. Effective training and development programmes implemented

In late 2014, a new Education and Training policy was approved by the CCPC. Following its adoption, learning and development plans were discussed with all staff as part of the Performance Management process. The process requires staff and their line managers to identify areas for learning and development in the context of the staff member's job role and in terms of their personal development.

In addition to individual training, the following group training was also delivered:

- Training on the CCPC's new PMDS (Performance Management Development System) was rolled out to all reviewers during 2015 to ensure consistency in the goal-setting and review process and to ensure that the organisation derives maximum benefit from the process in terms of managing the performance of all staff,
- Newly appointed Heads of Unit attended bespoke training designed for new or less-experienced managers. The two-day training course focused on leadership, different management styles, effective communication, influencing & persuading others, handling conflict, motivating others and building effective teams,
- Eight members of staff attended a presentation skills course that was delivered in-house by external facilitators,
- Sixteen internal staff seminars were organised to give staff the opportunity to learn about the work of other parts of the organisation. This was particularly important in the context of the creation of the new organisation, the scope of our functions and the creation of some new functions because of the Competition and Consumer Protection Act, 2014,
- Performance objectives for 2015 were agreed with all staff and were reviewed at mid-year and year-end. Training was provided to all managers to provide effective and constructive feedback as part of the performance review process.

F. Performance management applied actively and fairly

In 2014, a new Performance Management and Development System (PMDS) was approved by the CCPC following consultation with Senior Managers. Performance objectives for 2015 were agreed with all staff and were reviewed at mid-year and end year. Training was provided to all managers to provide effective and constructive feedback as part of the performance review process.

G. Effective procurement, cost savings and value for money initiatives

Procurement Guidelines

New procurement guidelines were developed for all staff. While the CCPC has internal procurement expertise, staff understanding the basic principles of procurement rules creates a basic level of knowledge across the organisation. Advice is given to staff throughout the procurement process to ensure it is fair and transparent. Sharing procurement guidelines also reminds staff of the existence of legal responsibilities in this area.

Cost Savings

Following a public tender process significant savings were made on the amount spent on the provision of our helpline. Whilst our Accountancy tender also delivered savings.

Throughout 2016, we worked with the Office of Public Works to identify a modern city centre location in order to deliver greater energy efficiency and lower rental costs to the State from 2017.

H. Data protection, ethics in public office, financial procedures

Financial Procedures

New financial policies and procedures were developed and disseminated to ensure that all staff are aware of the processes that they must follow when purchasing goods or services on behalf of the organisation.

Service Level Agreement

The CCPC agrees an annual Service Level Agreement (SLA) with the Department of Jobs, Enterprise and Innovation. During March 2015, an interim SLA was developed and agreed based on the CCPC's interim workplan. An interim workplan was in place, pending the publication of the CCPC's Strategy Statement. The SLA was updated following the development of the CCPC's workplan for June 2015 to end 2016.

The CCPC submitted quarterly reports against Key Performance Indicators outlined in the SLA to the Department of Jobs, Enterprise and Innovation. Quarterly SLA meetings were also convened.

Freedom of Information

During 2015, the CCPC dealt with 15 Freedom of Information requests.

Disclosure of Interest

Procedures are in place to ensure the CCPC's compliance with the Ethics in Public Office Act 1995 and Standards in Public Office Act 2001. Members of the Commission furnished statements of interest to the Secretary and copies were provided to the Commission Secretary at the Standards in Public Office Commission. In addition, staff members holding designated positions have complied with both Acts.

Appendices



Appendix 1

1. Fines, Penalties & Compensation Orders

Total number of fines, penalties and compensation orders imposed by the court: 6

Legislation breached:

- Contraventions of the Consumer Protection Act 2007 - as described by Section 43(1) and Section 43 (3)(b)(vii), Section 43(3)(b)(x), Section 43 (3)d all contrary to Section 47.
- Contravention of the European Communities (General Product Safety) Regulations 2004.

Mr. Brian Fassnidge, formerly trading at Motorcity Naas Road, 15 Naas Road, Dublin 22

- Consumer Protection Act 2007: Mr. Fassnidge was fined €3,000 following summary convictions for three offences under the Consumer Protection Act 2007. The offences related to engaging in misleading commercial practices concerning the sale of motor vehicles to consumers.
- European Communities (General Product Safety) Regulations 2004: Mr. Fassnidge was fined €1,000 following a summary conviction for one offence under the European Communities (General Product Safety) Regulations 2004. The offence related to the sale of a dangerous motor vehicle.
- Compensation Order under Section 81 of the Consumer Protection Act 2007: Following summary convictions for offences under the Consumer Protection Act 2007 and following an application by the Competition and Consumer Protection Commission, Mr. Fassnidge was ordered to pay the sum of €500 to each of the aggrieved consumers.

2. Compliance Notices (as provided for by Section 75 of the Consumer Protection Act 2007)

Total number of Compliance Notices that took effect: 29

Legislation breached:

- Compliance Notices Issued to traders who failed to give or make available to consumers information on their rights to cancel distance contracts under the European Union (Consumer Information, Cancellation and Other Rights) Regulations 2013, in plain and intelligible language and in a way appropriate to the means of distance communication used.

Number of Compliance Notices issued: 5

Traders listed alphabetically by County:

- eircom Limited, 1 Heuston South Quarter, St. John's Road, Dublin 8
- Meteor Mobile Communications Limited, No. 1 Heuston South Quarter, St. Johns Road, Dublin 8
- Three Ireland (Hutchison) Limited, 28/29 Sir John Rogerson's Quay, Dublin 2
- UPC Communications Ireland Limited, Building P2, Eastpoint Business Park, Clontarf, Dublin 3
- Vodafone Ireland Limited, Mountainview, Leopardstown, Dublin 18

Legislation breached:

- Compliance Notices issued to traders who provided consumers with misleading information on their rights to cancel distance contracts under the European Union (Consumer Information, Cancellation and Other Rights) Regulations 2013, as described by Section 43(3)(j) of the Consumer Protection Act 2007.

Number of Compliance Notices issued: 6

Traders listed alphabetically by County

- Arnotts Limited, 12 Henry Street, Dublin 1
- eircom Limited, 1 Heuston South Quarter, St. John's Road, Dublin 8
- Meteor Mobile Communications Limited, No. 1 Heuston South Quarter, St. Johns Road, Dublin 8.
- UPC Communications Ireland Limited, Building P2, Eastpoint Business Park, Clontarf, Dublin 3
- Vodafone Ireland Limited, Mountainview, Leopardstown, Dublin 18
- Expert Ireland Retail PLC, Zone A Mullingar Business Park, Mullingar, Co. Westmeath

Legislation breached:

- Compliance Notices issued to traders who failed to give or make available to consumers information on the trader's obligation to provide goods in conformity with contract in plain and intelligible language and in a way appropriate to the means of distance communication used, as required under Regulation 10 of the European Union (Consumer Information, Cancellation and Other Rights) Regulations 2013.

Number of Compliance Notices issued: 1

Traders listed alphabetically by County

- Expert Ireland Retail PLC, Zone A Mullingar Business Park, Mullingar, Co. Westmeath

Legislation breached

- Compliance Notices issued to traders who for the purposes of Section 43(1) of the Consumer Protection Act 2007, engaged in a misleading commercial practice by misleading consumers by providing false information in relation to the usage or prior history of a motor vehicle being offered for sale, such being a matter set out in Section 43(3)(b)(vii) of the Consumer Protection Act 2007, and that such a misleading practice would be likely to cause the average consumer to make a transactional decision that the average consumer would not otherwise make.

Number of Compliance Notices issued: 1

Traders listed alphabetically by County:

- Mr Edward McCarthy, trading as Phoenix Motors, Conyngham Road, Park Gate Street, Dublin 8

Legislation breached

- Compliance Notices issued to traders who charged more for consumer goods than the price displayed, as described by Section 43(3)(c) of the Consumer Protection Act 2007.

Number of Compliance Notices issued: 16

Traders listed alphabetically by County:

- Mr Peadar Aspel, trading at Aspel's Centra, Upper Strand Street, Youghal, Co. Cork
- AJ Stores Limited, trading at Centra Jordan's, Unit 1 Killinarden Shopping Centre, Killinarden, Dublin 24
- B & Q Ireland Limited, trading at B & Q, Airside Retail Park, Swords, Co. Dublin
- Brian Reynolds Car Sales Limited, trading as Maxol Mace Filling Station, Donore Road, Drogheda Co. Louth
- Corajio, trading as Mr Price, Coolock Retail Park, Coolock, Dublin 17
- Lidl Ireland GMBH, trading as Lidl, 18 Rathfarnham Road, Terenure, Dublin 6
- Ladgrove Stores Limited, trading at Moriarty's SuperValu, Palmerstown Shopping Centre, Palmerstown, Dublin 20
- Newhill Limited, trading at Spar, Unit 14-18 Marlfield Mall, Kiltipper, Dublin 24
- Q E C Limited, trading as Esso Ushers Quay, 15-21 Usher's Quay, Dublin 8
- Joyce's Supermarket (Athenry), trading at Joyce's Supermarket, Athenry Shopping Centre, Athenry, Co. Galway
- Tesco Ireland Limited, trading as Tesco, Galway Shopping Centre, Headford Road, Co. Galway
- New Vistas Healthcare Limited, trading at Nature's Hand, Unit 28, Crescent Shopping Centre, Dooradoyle, Limerick, Co. Limerick
- GMBH, trading as Lidl, Donore Road, Drogheda, Co. Louth
- Cappincur Filling Station Limited, trading at Mace, Cappincur Filling Station, Cappincur, Tullamore, Co. Offaly
- Tesco Ireland Limited, trading as Tesco, Market Yard, Roscommon, Co. Roscommon
- Dunnes Stores, trading at Dunnes Stores, Harbour Place Shopping Centre, Mullingar, Co. Westmeath

3. Fixed Payment Notices (as provided for by Section 85 of the Consumer Protection Act 2007)

Total number of Fixed Payment Notices paid: 33

Legislation breached

- FPNs issued to traders in breach of the European Communities (Requirements to Indicate Product Prices) Regulations 2002.

Total Number issued: 31

Traders listed alphabetically by County:

- Dairygold Agri Business Limited, trading at Co-Op Superstores, Park Road, Mallow, Co. Cork
- O'Sheas Supermarket (Cobh) Limited, trading at Garvey's SuperValu, Tiknock, Cobh, Co. Cork
- Bridgefield Retail Limited, trading as Spar Dutch Village Clondalkin, Dutch Village Shopping Centre, Clondalkin, Dublin 22

- C & C Retail Limited, trading as Spar, 19-20 Dame Street, Dublin 2
- C & T Supermarket, trading at C & T Supermarket, Holmpatrick Shopping Centre, Shenick Road, Skerries, Co. Dublin
- Cari's Closet Limited, trading at Cari's Closet, New Street, Malahide, Co. Dublin
- Clarke's Bakery Limited, trading at Clarkes Home Bakery, 54 Cabra Road, Dublin 7
- Corajio, trading as Mr Price, Coolock Retail Park, Coolock, Dublin 17
- Donnybrook Fair Limited, trading at Donnybrook Fair, 89 Morehampton Road, Donnybrook, Dublin 4
- Donnybrook Fair Limited, trading at Donnybrook Fair, 89 Morehampton Road, Donnybrook, Dublin 4
- Empaco Stores Limited, trading as Collins Centra, 8 Main Street, Howth, Co. Dublin
- Halfords Limited, trading at Halfords, Malahide Road Retail Park, Dublin 17
- Mastercare Retailers Limited, trading at Mastercare, 164 Howth Road, Dublin 5
- M&M SERVICE MAX IMD LIMITED, trading as Camden Halal, 21 Lower Camden Street, Dublin 2
- Musgrave Operating Partners Ireland Limited, trading at SuperValu, Northside Shopping Centre, Coolock, Dublin 17
- QEC Limited, trading as Esso Ushers Quay, 15-21 Usher's Quay, Dublin 8
- Joyce's Supermarket (Athenry), trading at Joyce's Supermarket, Athenry Shopping Centre, Athenry, Co. Galway
- Messrs Diarmuid O'Callaghan, Shane O'Callaghan, and Sean Doyle trading at Gala, 37 High Street, Killarney, Co. Kerry
- John Fletcher Limited, trading at Fletcher's Hardware, Main Street, Portarlington, Co. Laois
- New Vistas Healthcare Limited, trading at Nature's Hand, Unit 28, Crescent Shopping Centre, Dooradoyle, Limerick, Co. Limerick
- Mr Bernard Keane, trading at SuperValu, Main Street, Lanesborough, Co. Longford
- Bushgrove Limited, trading at Euro Giant, N4 Axis Centre, Longford, Co. Longford
- Brian Reynolds Car Sales Limited, trading as Maxol Mace Filling Station, Donore Road, Drogheda Co. Louth
- Dunnes Stores, trading at Dunnes Stores, 4 West Street, Drogheda, Co. Louth
- Lidl Ireland GMBH, trading as Lidl, Donore Road, Drogheda, Co. Louth
- Newgate Quik Pick Limited, trading at Mace, Newgate, Kells Road, Navan, Co. Meath
- Tesco Ireland Limited, trading as Tesco, Market Yard, Roscommon, Co. Roscommon
- Anokato Limited, trading as Mulrooney's Service Station Brooklands Nenagh, Brooklands, Nenagh, Co. Tipperary
- Tesco Ireland Limited, trading as Tesco, Powerstown Centre, Waterford Road, Clonmel, Co. Tipperary
- Michael Guiney Limited, trading at Michael Guiney, Castle Street, Mullingar, Co. Westmeath
- Ard Services Limited, trading at Topaz Service Station, Main Street, Kilcoole, Co. Wicklow

Legislation breached

- FPNs issued to traders in breach of the Retail Price (Beverages in Licensed Premises) Display Order 1999.

Total Number issued: 2

- The Cradle Rock Limited, trading as The Michael Collins, Lower Main Street, Rush, Co. Dublin
- Zest Foods Limited, trading as Bar One, Rush Street, Castlebar, Co. Mayo

Appendix 2

Directions Prohibiting the placing on the market of non-compliant hoverboards

In accordance with European Communities (Low Voltage Electrical Equipment) Regulations 1992 and 1994, Regulation 4(4), Directions issued Prohibiting the Placing on the Market of Unsafe Electrical Equipment.

“Placing on the market” for the purposes of Regulation 4(1) and the direction means:

- (a) Import,
- (b) Sell(whether by wholesale or retail),
- (c) Offer or expose for such sale,
- (d) Distribute free of charge, or
- (e) Supply by a manufacturer for any of those purposes,

And cognate words shall be construed accordingly

17 December 2015

In accordance with European Communities (Low Voltage Electrical Equipment) Regulations 1992 and 1994, the Commission directed that the following retailers are not to sell or import non-compliant Hoverboards:

- Brown Thomas & Co Limited, T/A Brown Thomas
- Creative Retail Solutions Limited, T/A The Gadget Box
- Rory Dinnigan, T/A Bikes or Bicycles

18 December 2015

In accordance with European Communities (Low Voltage Electrical Equipment) Regulations 1992 and 1994, the Commission directed that the following retailers are not to sell or import non-compliant Hoverboards:

- KOL Retail Sales Limited
- Tesco Ireland Limited
- Sino-EU Union International (Irl) Trading Limited T/A CI- Electric Bike

Appendix 3

Chairperson and Commission Member Expenses (Oct 31 2014-31 Dec 2015)

Stephen Calkins: €1,253

Gerald FitzGerald: €8,296

Patrick Kenny: €1,503

Karen O'Leary: €2,070

Chairperson's Remuneration

The Chairperson received salary payments of €195,325 and expenses of €3,634 from 31 October 2014 – 31 December 2015. The Chairperson's pension was in line with the standard entitlements in the model public sector defined benefit superannuation scheme.

2015 Financial Statements

The CCPC's budget allocation in 2015 was €13,150,000, of which €10,238,600 was provided by the state and €2,911,400 came from a financial services industry levy in respect of specific personal finance information and education functions in the financial sector (as detailed below).

At the time of writing, the annual draft financial statements for the year 1 January - 31 December 2015 report expenditure of €8,836,919 for grant-assisted activities and €2,255,526 for levy-funded activities. The CCPC's underspend was due to a number of vacancies. The Office of the Comptroller and Auditor General will audit the financial statements. The financial statements are prepared on the accruals basis of accounting, except in respect of the Oireachtas grant, in accordance with generally accepted accounting principles.

Levy on Financial Services Providers

The CCPC has power to impose levies on regulated financial service providers under the powers conferred on it by Section 24B of the Consumer Protection Act 2007 (as inserted by the Central Bank Reform Act 2010). Levies were imposed by Regulations made under this Section. The legislation granting previously the National Consumer Agency, and now the CCPC, the power to impose levies provides that an arrangement can be made between the CCPC and a prescribed body for the collection of the levy. The collection of the levy from financial services firms was outsourced to the Central Bank since the levy was introduced in 2011, and an Agency Agreement between the CCPC and the Central Bank is in place to cover this process. A collection rate of over 99% of the total levy amount has been successfully collected from 2011 to 2015 from approximately 550 financial services companies.

Appendix 4

Attendance at Official Commission Meetings 2015

Isolde Goggin: **Twelve**

Patrick Kenny: **Twelve**

Stephen Calkins (January – August): **Eight**

Karen O’Leary: **Eleven**

Gerald FitzGerald: **Nine**

