



Australian  
Competition &  
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Commission

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# NEWS RELEASE

## ACCC RELEASES STATEMENT OF ISSUES ON PMP-IPMG PRINT MERGER

The Australian Competition and Consumer Commission has released a Statement of Issues expressing initial concerns about the proposed merger between print businesses PMP (ASX:PMP) and IPMG.

The ACCC's preliminary view is that the merger may substantially lessen competition in the supply of heatset web offset printing, the main method for printing catalogues and magazines.

The ACCC also notes recent consolidation in the sector such as the recent acquisition of Franklin and AIW, which has made IVE a larger competitor.

"The ACCC is concerned that as the two largest suppliers in heatset printing, the merger of PMP and IPMG may see a reduction in competition with the number of significant suppliers in the market going from three to two," ACCC Chairman Rod Sims said.

The ACCC is seeking feedback from industry participants.

"The ACCC is asking industry participants whether they consider that there are alternatives to PMP and IPMG for catalogue and magazine printing," Mr Sims said.

"Despite a decline in circulation for magazines and the volume of catalogues distributed, the ACCC considers that there is a market for heatset web offset printing. Other forms of printing, such as coldset, digital, and sheet-fed, will not provide a significant competitive constraint for many heatset customers."

"PMP is also in the business of catalogue distribution. The ACCC is also considering whether a merged PMP-IPMG could 'foreclose' rival catalogue distributors, particularly through offering customers a bundled print and distribution arrangement," Mr Sims said.

The ACCC has sought submissions by 9am on 31 January 2017, with the final decision expected on 23 February 2017.

The Statement of Issues and information about making a submission is available on the ACCC's public register.

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