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Dr John Benger
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5 December 2019

THE PUBLIC INTEREST MERGER REFERENCE (GARDNER AEROSPACE HOLDINGS LTD. AND IMPCROSS LTD.) (PRE-EMPTIVE ACTION) ORDER 2019

Dear Dr Benger

While Parliament is currently dissolved, I am writing to draw your attention to the fact that SI 2019 No 1490, The Public Interest Merger Reference (Gardner Aerospace Holdings Ltd. and Impcross Ltd.) (Pre-emptive Action) Order 2019 which was made under sections 86 and 87 of, and Schedule 7 to, the Enterprise Act 2002 on 5 December 2019 and came into force on that date, has yet to be laid before Parliament. I have set out the reasons for the urgency below.

The Government has been investigating the proposed takeover of Impcross Ltd by Gardner Aerospace Holdings Ltd and the Secretary of State for Defence has written to me with his initial assessment of the national security position.

The Enterprise Act 2002 provides me with powers to intervene in certain mergers on public interest grounds, including national security, where I believe they may be relevant to a transaction. As I believe there is a need to further assess the national security implications of this takeover, I have today issued a public interest intervention notice to the Competition and Markets Authority. I have asked the CMA, working closely with the Ministry of Defence, to provide me with a report into the national security implications and competition and jurisdictional issues relating to the merger and for this to be returned to me by midnight on 2nd March 2020.

The Public Interest Merger Reference (Gardner Aerospace Holdings Ltd. and Impcross Ltd.) (Pre-Emptive Action) Order 2019 (No. 1490) prohibits any steps being taken to integrate Impcross Ltd's business with Gardner Aerospace Holdings Ltd's business (including the transfer of information, know-how and documents to the acquirer) and also prohibits Gardner Aerospace Holdings Ltd from taking ownership or control of Impcross Ltd's business pending the outcome of the review of the merger.

Due to the nature of the restrictions imposed by the Order, it was necessary to make and bring it into force before it could be laid before Parliament as to do otherwise would

have given the parties the opportunity to take actions that might have undermined the purpose and effectiveness of the Order.

I have written in similar terms to the Lord Speaker, the Speaker Elect of the House of Commons and the Clerk of the Parliaments. I am attaching a copy of the Order.

I am placing a copy of this letter and the Order in the Library of both Houses.

A handwritten signature in blue ink that reads "Andrea Leadsom". The script is cursive and fluid, with the first letters of each word being capitalized and prominent.

THE RT HON ANDREA LEADSOM
Secretary of State for Business, Energy & Industrial Strategy