



UK antitrust body tells MFG its Murco purchase may raise prices in Hythe, Kent

The United Kingdom's Competition and Markets Authority said in late December that it has offered the Motor Fuel Group Ltd. a "chance" to offer a "solution" so that it can complete its announced acquisition of petrol stations and fuel supply contracts from Murco Petroleum. The authority is concerned prices may rise in Hythe, Kent, due to the merger.

The competition regulator body said that MFG, which before the purchase owned and operated 60 fuel stations in the UK under the BP, Jet and Total brands, may proceed with the purchase from Murco Petroleum Ltd. of Murco branded stations and 226 supply contracts for independent dealers but that it must first propose a solution to assure prices will not see an increase in the local area of Hythe, in Kent.

The problem in the Hythe area is that "the merging parties' petrol stations are situated close to each other" which could lead to higher prices due to insufficient competition, the authority's senior director and decision maker for this case, Michael Grenfell, said, according to the release.

The CMA did not find any competition concerns resulting from the deal in other areas of the country, it added.

Patron Capital Partners had announced back in October 2014 that it was buying Murco through its Motor Fuel Group property for an undisclosed sum.