
From: Mike Lambden (National express) [Mike.Lambden@Nationalexpress.com]
Sent: 01 September 2004 09:13
To: Mike Davey
Subject: THE ANTICIPATED ACQUISITION BY ARRIVA PLC OF THE HERTFORDSHIRE BUS OPERATIONS OF SOVEREIGN BUS AND COACH COMPANY LTD.

Dear Mr Davey

Thank you for your letter of 12 August addressed to our Chief Executive regarding the above. I apologise that this response is a few hours late.

I have to admit that we do not have a detailed knowledge of the local market. I presume that we have been invited to comment as we have some of our coach services which pass through the Sovereign operating area as part of much longer routes.

As far as we are concerned we feel that this acquisition will have no effect on the local market and is, as much as anything, a tidying up of the operations in the area. I believe that prior to sales of parts of the former National Bus Company companies some years ago this was all one operation anyway.

We feel that it will not affect entry into the market as our understanding is that there was little direct competition between Arriva and Sovereign. It is also our understanding that Sovereign has been sold because the parent company was struggling to sustain it as a standalone operation and the alternative may have been service cuts.

The acquisition should enable a wider range of destinations to be provided for local customers.

I trust that these comments are helpful.

Yours sincerely

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