

**Notice pursuant to section 91(2) of the Fair Trading Act 1973
Revocation of Monopolies and Restrictive Practices (Imported
Hardwood and Softwood Timber) Order 1960**

The Secretary of State intends to make an Order (“the revocation Order”) to revoke the Monopolies and Restrictive Practices (Imported Hardwood and Softwood Timber) Order 1960 (“the 1960 Order”). Before he makes the revocation Order he is required under section 91(2) of the Fair Trading Act 1973 (“the Act”), to publish a notice so that anyone with an interest in the matter may make representations to him.

The nature of the proposed provisions

The revocation Order would revoke the 1960 Order. The 1960 Order was made for the purpose of remedying or preventing the adverse effects specified in the Monopolies and Restrictive Practices Commission report entitled: *Report on the Supply of Imported Timber* (HC 281) which found that traders in imported hardwood timber and imported softwood timber formed ‘approved lists’ of importers and agents. Those on the lists would only deal with each other and they controlled any entry on to the lists.¹ The agreements by traders on the lists to deal only with each other was seen to restrict the ability of some merchants to deal effectively in imported timber and was found to be against the public interest.

The Order makes it unlawful to make or carry out the same or similar agreements (or those which have similar effects).

The Office of Fair Trading (OFT) has recommended that the Secretary of State revoke the 1988 Order. The OFT have found that the main timber trade body from the time, the Timber Trade Federation (TTF), still exists but others from that time have either been dissolved or amalgamated with the TTF.

The TTF has told the OFT that it no longer maintains approved lists of importers and agents and that there are no restrictions on with whom agents and importers can deal. Not all imported timber passes through an agent and some shipments bypass the importer and sell directly to merchants. Importers and agents are not necessarily members of the TTF.

The OFT believe that the practices which the Order addresses, as far as it has anti-competitive objects or effects, is now likely to be subject to the Competition Act 1998 which deals adequately with them. The possibility of fines for breach of the Competition Act 1998 is likely to be a significant deterrent to any reversion to past practices.

¹ All the traders on the approved lists were members of the Timber Trade Federation which helped underpin the carrying out of the practice.

Copies of the draft revocation Order may be obtained on the DTI website at <http://www.dti.gov.uk/ccp/topics2/monoplies.htm> or from Philip.martin@dti.gsi.gov.uk

Representations

Any person whose interests are likely to be affected by the revocation Order, and who would like to make representations about it, should do so in writing to Philip Martin, room 416, Department of Trade and Industry, 1 Victoria Street, London SW1H 0ET (e-mail: Philip.martin@dti.gsi.gov.uk). You should state what your interest in the matter is and the grounds on which you wish to make representations. Your representations must be received by 28 October 2005.