



## Statement of Issues

8 August 2019

### Bis Industries – proposed acquisition of Cougar Mining Group

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#### Purpose

1. Bis Industries Holdings Limited (**Bis**) proposes to acquire Cougar Mining Group Pty Ltd (**Cougar**) (the **proposed acquisition**).
2. This Statement of Issues:
  - gives the preliminary views of the Australian Competition and Consumer Commission (**ACCC**) on competition issues arising from the proposed acquisition,
  - identifies areas of further inquiry, and
  - invites interested parties to submit comments and information to assist our assessment of the issues.
3. Statements of Issues give preliminary views and do not refer to confidential information provided by the parties or other market participants, therefore they may not be a full articulation of the ACCC's preliminary position.

#### Overview of ACCC's preliminary views

4. The legal test which the ACCC applies in considering the proposed acquisition is in section 50 of the *Competition and Consumer Act 2010*. Section 50 prohibits acquisitions that would have the effect, or be likely to have the effect, of substantially lessening competition in any market.
5. The ACCC divides its preliminary views into three categories, 'issues of concern', 'issues that may raise concerns' and 'issues unlikely to raise concerns'.

### **Issue of concern**

6. The ACCC's preliminary view is that the proposed acquisition is likely to substantially lessen competition in the supply of longwall relocation equipment hire to underground coal mine operators in New South Wales and Queensland.
7. The ACCC is concerned that the proposed acquisition would reduce the number of significant suppliers from two to one, and would likely lead to higher prices for hiring longwall relocation equipment and reduced service quality.
8. The ACCC's preliminary view is that the threat of new entry or expansion and the potential for mine operators to self-supply longwall relocation equipment would not significantly constrain a combined Bis-Cougar.

### **Issue unlikely to raise concerns**

9. The ACCC's preliminary view is that the proposed acquisition is unlikely to substantially lessen competition in the supply of run of mine equipment hire to underground coal mine operators in New South Wales and Queensland, given that there are several alternative suppliers available.

### **Making a submission**

10. The ACCC is seeking submissions from interested parties, particularly on the following key issues:
  - the potential for new entry or expansion into the supply of longwall relocation equipment hire post-acquisition,
  - the extent to which the potential for mine operators to self-supply longwall relocation equipment would constrain a combined Bis-Cougar, and
  - the impact of the proposed acquisition on competition in the supply of run of mine equipment hire.
11. Detailed discussion of these and other issues, along with specific questions, is contained in this Statement of Issues.
12. Interested parties should provide submissions by no later than 5pm on 23 August 2019. Responses may be emailed to [mergers@acc.gov.au](mailto:mergers@acc.gov.au) with the title: "Submission re: Bis / Cougar - attention Stella Leung and Zac Sotidis". If you would like to discuss the matter with ACCC officers over the telephone or in person, or have any questions about this Statement of Issues, please contact Stella Leung on 03 9658 6444 or Zac Sotidis on 03 9658 6487.
13. The ACCC anticipates making a final decision on 24 October 2019, however, this timeline can change. To keep abreast of possible changes in relation to timing and to find relevant documents, interested parties should visit the Mergers Register on the ACCC's website at [www.accc.gov.au/mergersregister](http://www.accc.gov.au/mergersregister).

### **Confidentiality of submissions**

14. The ACCC will not publish submissions regarding the proposed acquisition. We will not disclose submissions to third parties (except our advisors/consultants)

unless compelled by law (for example, under freedom of information legislation or during court proceedings) or in accordance with s155AAA of the *Competition and Consumer Act 2010*. Where the ACCC is required to disclose confidential information, the ACCC will notify you in advance where possible so that you may have an opportunity to be heard. Therefore, if the information provided to the ACCC is of a confidential nature, please indicate as such. Our [Informal Merger Review Process Guidelines](#) contain more information on confidentiality.

## About ACCC ‘Statements of Issues’

15. A Statement of Issues published by the ACCC is not a final decision about a proposed acquisition, but provides the ACCC’s preliminary views, drawing attention to particular issues of varying degrees of competition concern, as well as identifying the lines of further inquiry that the ACCC wishes to undertake.
16. A Statement of Issues provides an opportunity for all interested parties (including customers, competitors, shareholders and other stakeholders) to ascertain and consider the primary issues identified by the ACCC. It is also intended to provide the merger parties and other interested parties with the basis for making further submissions should they consider it necessary.

## Timeline

Date	Event
17 May 2019	ACCC commenced review of the proposed acquisition
8 August 2019	ACCC publication of Statement of Issues
23 August 2019	Deadline for submissions from interested parties in response to this Statement of Issues
24 October 2019	Anticipated date for ACCC final decision

## The parties

### Bis Industries

17. Bis is an Australian unlisted public company. It provides equipment hire, haulage and logistics services to companies in the coal, iron ore, bauxite, nickel and gold mining industries in Australia.
18. Bis provides services to the underground coal mining industry in New South Wales and Queensland. These services include:
  - a. mining equipment hire, including longwall relocation equipment hire and run of mine equipment hire,
  - b. longwall relocation and run of mine labour hire, and

- c. workshop repairs, field maintenance services, tyre sales and spare parts sales.
19. Bis purchased Shell Coal's longwall relocation equipment and expanded into specialised underground coal mining equipment hire in 1997.

### **Cougar Mining Group**

20. Cougar is a privately owned company based in Newcastle, New South Wales. It provides services to the underground coal mining industry in New South Wales and Queensland. These services include:
- a. mining equipment hire, including longwall relocation equipment hire and run of mine equipment hire, and
  - b. workshop repairs, field maintenance services and spare parts services to the underground coal mining industry.
21. Cougar commenced longwall relocation equipment hire services in 2016.

### **The proposed acquisition**

22. Bis proposes to acquire 100 per cent of the shares in Cougar.
23. Cougar has related entities that manufacture mining equipment. These entities are not a part of the proposed acquisition. One of these entities is Australian Mining Equipment (formerly Cougar IME) which manufactures longwall relocation equipment and which was acquired in 2018 by the corporate group of which Cougar is a part. The other entities are CH4 Drilling (formerly Cougar Drilling) and Cougar Stratajacks.

### **Industry background**

#### **Longwall coal mining**

24. Mining a coal seam located deep underground is achieved through either a 'bord and pillar' or a 'longwall' mining method.
25. The longwall coal mining method involves a mechanical cutter that continually shaves slices of coal from a coalface (or longwall). The coal is extracted, collected on a conveyer that runs parallel to the longwall, and transported for processing. Hydraulic roof supports, known as chocks, protect the mine from collapse during the operation. The chocks move forward as the coalface is mined, enabling the roof of the mine to collapse from behind them. The size of longwall faces can vary. Longwalls are generally three kilometres long and 250-400 metres wide.
26. Once all of the available coal along the longwall is mined, a new longwall needs to be established elsewhere within the same mine and the longwall coal mining machinery needs to be moved and set up in the new location. This is referred to as a longwall relocation.
27. A longwall relocation occurs approximately every 9-18 months at a mine and it takes approximately six to eight weeks to accomplish a longwall relocation. It is

critical that longwall relocations occur at the scheduled time to avoid expensive coal production delays.

28. Currently there are 23 longwall coal mines located in Queensland and New South Wales operated by 12 mine operators. A number of these mine operators are large multinational companies.

### **Longwall relocation equipment**

29. Specialised equipment is required to move longwall mining machinery. This equipment has limited or no alternative uses. The most important tasks in a longwall relocation include recovering chocks, installing chocks in a new location within the mine, and relocating the mechanical cutter (known as a shearer). The main pieces of equipment for a longwall relocation include:
- a. Chock hauler (used to carry chocks between locations),
  - b. Chock trailer (an alternative piece to carry chocks between locations),
  - c. Shearer carrier (used to relocate the shearer),
  - d. Shearer trailer (an alternative piece to relocate the shearer),
  - e. Heavy lift loader (used to lift and load chocks and other heavy implements),
  - f. Mule (used to install and retrieve chocks), and
  - g. Dozer (an alternative piece to install and retrieve chocks).
30. Longwall relocation equipment is generally expensive. Individual pieces of longwall relocation equipment can range from hundreds of thousands to millions of dollars.
31. Longwall relocation equipment must meet specific regulatory requirements and mechanical and electrical codes to ensure it can be safely operated in underground mines. Also, specialist expertise and ongoing costs are required to maintain individual pieces to a compliant state.

### **Sources of longwall relocation equipment**

32. Longwall relocation equipment can be purchased from original equipment manufacturers (**OEMs**). In Australia, suppliers of longwall relocation equipment include:
- a. Sandvik,
  - b. Hastings Deering (Caterpillar),
  - c. Australian Mining Equipment (formerly Cougar IME),
  - d. PPK Mining Equipment, and
  - e. Valley Longwall International.

33. Purchasing new longwall relocation equipment from an OEM involves significant lead-times. For some pieces of equipment, it may take 18 months from placing an order to delivery.
34. Longwall relocation equipment can sometimes be purchased second-hand in Australia or from overseas. Second-hand longwall relocation equipment purchased from overseas often needs to be refurbished to meet Australian standards.

#### **Hiring of longwall relocation equipment**

35. Longwall relocation equipment is expensive and is only required infrequently at a mine. Owning equipment also involves employing skilled labour to maintain the equipment and to ensure that the equipment complies with regulatory requirements. While some longwall coal mine operators own some pieces of longwall relocation equipment, the ACCC understands that all mine operators hire at least part of their longwall relocation equipment requirements. Most mine operators rely on hire companies to supply a substantial portion of their longwall relocation equipment requirements.
36. The main suppliers of longwall relocation equipment hire in Australia are Bis and Cougar. There are other hire companies that own limited pieces of longwall relocation equipment. These companies include:
  - a. Longwall Haul – a New South Wales based supplier of equipment hire and other mining services to the underground coal mining industry, and
  - b. Impact Mining Equipment – a New South Wales based supplier of equipment hire, parts and consumables to the underground coal mining industry.
37. Longwall relocation equipment hire companies may also enter into cross-hire arrangements under which the equipment hire company acts as an intermediary in hiring out pieces of longwall relocation equipment owned by mine operators or other hire companies.

#### **Labour hire for longwall relocation**

38. Mine operators can outsource the labour requirements for longwall relocations to contractors that provide longwall relocation labour hire services.
39. Suppliers of longwall relocation labour hire in New South Wales and Queensland include:
  - a. Bis,
  - b. Mastermyne,
  - c. Lunar Mining,
  - d. One Key Resources, and
  - e. Tolk Group.

40. The ACCC understands that suppliers of labour hire for longwall relocations do not necessarily provide longwall relocation equipment hire services to mine operators. However, suppliers of labour hire may source equipment from equipment hire companies (if they do not own the equipment) to carry out contracts.

### **Run of mine equipment**

41. 'Run of mine' equipment refers to equipment used to carry out general operations of an underground coal mine. Examples of tasks include the transportation of personnel or coal, power generation and ground surfacing.
42. Commonly used pieces of run of mine equipment include:
- a. Load Haul Dump machines (used to transport ore and other objects),
  - b. Flitmates (used to generate power),
  - c. Graders (used to create a flat surface within the mine), and
  - d. Personnel carriers or transporters, also known as drift runners (used to transport personnel into, out of, and within the mine).
43. The ACCC understands that run of mine equipment is generally used more frequently than longwall relocation equipment.

### **Hiring of run of mine equipment**

44. While coal mine operators own fleets of run of mine equipment, hiring some pieces of run of mine equipment is prevalent to meet their fluctuating needs.
45. Bis and Cougar are both major suppliers of run of mine equipment hire in Australia. Other large suppliers include:
- a. Impact Mining Equipment,
  - b. Alfabs – a New South Wales based supplier of logistics, parts, consumables and equipment hire services to the coal mining industry, and
  - c. PIMS Group – a Queensland based supplier of mining services and equipment hire to the coal mining and related industries.
46. There are also a number of smaller suppliers of run of mine equipment. Run of mine equipment hire companies may also facilitate cross-hiring of this equipment.

### **Issue of concern: reduction in competition in longwall relocation equipment hire**

47. The ACCC's preliminary view is that the proposed acquisition is likely to substantially lessen competition in the supply of longwall relocation equipment hire to underground coal mine operators in New South Wales and Queensland.

## **Market definition**

48. The ACCC considers that for the purpose of assessing the competition effects of the proposed acquisition, the most appropriate market definition is likely to be the supply of longwall relocation equipment hire to underground coal mine operators in New South Wales and Queensland.

### *Product dimension of the market*

49. The ACCC understands that underground longwall relocation requires specialised pieces of equipment that are generally purpose built to undertake specific tasks associated with longwall relocations, and have limited or no alternative uses. The ACCC considers that for the purpose of assessing the proposed acquisition, the market for longwall relocation equipment hire is likely to be separate from markets for the hiring of other types of coal mining equipment.
50. The ACCC considers that the supply of longwall relocation equipment by hiring is distinct from the supply of longwall relocation equipment for purchasing. As discussed in **'Constraints from mine operators' self-supply'** below, while some mine operators own some pieces of longwall relocation equipment, mine operators generally do not consider owning a full suite of longwall relocation equipment to meet all or most of their requirements to be commercially justifiable, and all mine operators hire at least part of their longwall relocation equipment requirements. Mine operators are unlikely to switch from hiring to purchasing unless there is a very substantial price increase in hiring. Therefore, the ACCC considers that hiring and purchasing equipment are not close substitutes.

### *Geographic scope of the market*

51. The ACCC considers that the geographic dimension of the relevant market is likely to comprise both of New South Wales and Queensland. The parties provide longwall equipment hire in both New South Wales and Queensland. Market feedback generally indicates that pieces of longwall relocation equipment are transported between mines in both states via trucks.
52. Some market participants have stated that due to high costs for transporting underground coal mining equipment, the equipment must be in close proximity to the mine where it will be utilised. This may indicate that there are separate markets for New South Wales and Queensland. The ACCC considers that in the present case, the same issues arise regardless of whether New South Wales and Queensland are treated as belonging to the same market or separate markets.

## **Removal of Cougar as the only main competitor**

### *Bis and Cougar are close competitors*

53. Market inquiries suggest that Bis and Cougar are the two main suppliers of longwall relocation equipment hire to underground coal mine operators in New South Wales and Queensland.
54. The ACCC understands that Bis and Cougar are the only hire companies that have all or most of the pieces of equipment required for longwall relocation, and



that they are the only companies that can provide the full suite of longwall relocation equipment for hire in New South Wales and Queensland.

55. Between the two companies, Bis has a larger fleet of longwall relocation equipment and has a larger market share. However, market feedback indicates that Cougar has been competing closely with Bis. The two companies often tender for the same contracts and have been willing to negotiate on prices with customers in response to the other's prices. Customers generally consider Cougar's prices to be cheaper than Bis' and that Cougar has constrained Bis' ability to raise prices. Some customers have also stated that competition between Bis and Cougar has enabled them to obtain favourable contract terms that ensure access to equipment when needed.

*Alternative suppliers do not compete strongly with Bis and Cougar*

56. Market feedback indicates that other hire companies, such as Longwall Haul and Impact Mining, do not compete strongly with Bis and Cougar. These other hire companies own limited pieces of longwall relocation equipment and do not own some of the key pieces of this equipment. They are not able to provide a full suite of longwall relocation equipment. The competition between these companies and Bis and Cougar is limited to the small range of equipment these companies do own. In addition, mine operators may not consider hire companies that do not offer a full suite of equipment to be alternatives to Bis and Cougar, because they cannot provide a 'one stop shop'. Market feedback indicates that customers typically hire all of their required equipment for a longwall relocation from a single supplier, rather than hire different pieces of equipment from different suppliers. This is to enable efficiency in managing hiring arrangements and to minimise the risk of equipment being unavailable due to different scheduling of different suppliers.
57. Market feedback indicates that other hire companies generally are not able to submit competitive tenders. Instead, some of these companies hire out their equipment to Cougar to supplement Cougar's fleet.

*Cross-hiring is a weak constraint*

58. The parties submit that cross-hiring of equipment between mine operators is an alternative to equipment hire supplied by Bis and Cougar, and that this imposes a competitive constraint on them. However, the ACCC understands that some mine operators that own longwall relocation equipment are unwilling to hire out their equipment, as they generally own small amounts to mitigate their own risk in delays associated with potential unavailability of hire equipment. Also, some mine operators do not wish to hire out their equipment to competitors. Where mine operators do hire out their equipment, this is usually done through Bis or Cougar as an intermediary. In cases where mine operators directly hire out equipment to other mines, this usually only occurs where there is an emergency situation. Therefore, the ACCC does not consider that cross-hiring between mine operators places a strong constraint on Bis and Cougar.

**Constraints from new entry and expansion**

59. The ACCC's preliminary view is that the threat of new entry or expansion would not significantly constrain the ability of a combined Bis-Cougar to increase prices or to decrease service levels.

60. A company entering or expanding into the supply of longwall relocation equipment hire would face the following barriers:
- customers' reluctance to hire equipment from an unknown entity,
  - high capital costs and long lead times in acquiring longwall relocation equipment,
  - time and costs for meeting regulatory requirements, and
  - uncertainty of future demand.
61. Market feedback indicates that mine operators would be hesitant to enter into a hiring arrangement with an unknown entity, as there is significant risk to mine operators if equipment is not available as required. Potentially, manufacturers of mine equipment could enter into the supply of longwall relocation equipment hire. However, most market participants consider this unlikely, as providing hiring services is not historically these manufacturers' main business. Potentially, other equipment hire or labour hire companies could enter or expand into the supply of longwall relocation equipment hire. However, market inquiries to date have not identified hire companies that are likely to do so post-acquisition in the event of a price increase. The ACCC is continuing to explore the possibility of entry or expansion by these companies.
62. The ACCC understands that for a company to enter or expand into the supply of longwall relocation equipment hire, it would need to incur a large capital outlay to purchase a reasonable range (if not the full suite) of longwall relocation equipment. Further, it is likely that the company seeking to enter or expand will need to purchase new equipment, as the opportunity to purchase second-hand equipment does not arise often and a company wishing to build a fleet cannot wait for such an opportunity to arise. The costs of acquiring new equipment may be at least partially irreversible (or 'sunk') once incurred. Sunk costs can deter entry or expansion, particularly in the face of uncertainty about the investor's success. In addition, purchasing new equipment involves significant lead-times, for some equipment it may take 18 months from placing an order to delivery.
63. A potential new entrant would face regulatory barriers. It can take 12 months or more to obtain regulatory approvals for operating equipment. The hire company also needs to comply with standards regarding the maintenance of the equipment, which involves significant costs, including in retaining a workforce with appropriate expertise.
64. Some market participants have stated that as longwall mining technology advances, there may be fewer longwall relocations in the future. This is because advances in technology result in larger longwall panels being utilised and longwall relocation projects consequently being undertaken less frequently. These market participants consider that it is unlikely that the number of longwall relocations occurring in the industry in the medium-term future would justify investment by a new entrant.
65. These barriers and market conditions mean that timely entry or expansion on a scale sufficient to constrain a combined Bis-Cougar may be unlikely. However, the ACCC is continuing to explore this issue.

66. The parties have argued that mine operators could sponsor new entry or expansion into the supply of longwall equipment hire and this would place constraints on a combined Bis-Cougar. However, because longwall relocation occurs infrequently at a mine, a single mine operator is usually not in a position to contract for a significant proportion of the capacity of a company seeking to enter or expand, even where the mine operator operates multiple mines. This may make it more difficult for a company seeking to enter or expand to secure sufficient utilisation of its capacity before entering or expanding.
67. The ACCC also notes that Cougar itself is a recent entrant into longwall relocation equipment hire. However, the ACCC understands that Cougar's entry into longwall relocation equipment hire in 2016 involved purchasing equipment second-hand from a hire company that went into administration. The ACCC considers that such opportunities are rare and unlikely to arise in the medium term.

### **Constraints from mine operators' self-supply**

68. The ACCC's preliminary view is that the constraint placed on a combined Bis-Cougar by mine operators' self-supply is likely to be limited.
69. The ACCC understands that some mine operators own some pieces of relocation equipment to mitigate risks associated with the required equipment being unavailable from hire companies. However, market feedback indicates that mine operators generally do not consider owning a full suite of longwall relocation equipment to meet all or most of their requirements to be commercially justifiable. This is due to the high cost of purchasing and maintaining the equipment and the infrequency of longwall relocations. In addition, owning longwall relocation equipment involves employing skilled labour proficient in maintaining the equipment and complying with regulatory requirements. The ACCC understands that mine operators generally do not consider this to be part of their core business.
70. The ACCC understands that currently all mine operators hire at least part of their longwall relocation equipment requirements, and most mine operators rely on hire companies to supply a substantial portion of their longwall relocation equipment requirements. Mine operators that own some pieces of longwall relocation equipment still rely on hire companies, because these mine operators do not own a full suite of this equipment, their equipment does not meet the specifications of all their mines, or there is a clash of relocation schedules at their mines.
71. The ACCC understands that there is a sizeable gap between the current prices for hiring and the costs of owning longwall relocation equipment. Also, there are significant lead-times for purchasing new longwall relocation equipment. The ACCC's preliminary view is that post-acquisition Bis could raise prices substantially, but just below the point that would push mine operators into purchasing their own longwall relocation equipment or expanding their existing suite of this equipment.

### **Conclusion**

72. Given the above, the ACCC's preliminary view is the proposed acquisition would remove Bis' only close competitor in the supply of longwall relocation equipment,

and would likely lead to higher prices for hiring longwall relocation equipment and reduced service quality.

73. The ACCC's preliminary view is that the threat of new entry or expansion and the potential for mine operators to self-supply longwall relocation equipment would not significantly constrain a combined Bis-Cougar.

The ACCC invites comments from market participants on its concerns in relation to the supply of longwall relocation equipment hire to underground coal mine operators in New South Wales and Queensland. In particular market participants may wish to comment on the following:

- Distinguishing the supply of longwall relocation equipment hire services from other mining equipment hire services.
- The extent to which a combined Bis-Cougar would be constrained from raising prices or decreasing service levels by other suppliers of longwall relocation equipment hire, or by mine operators self-supplying longwall relocation equipment.

#### Customers of longwall relocation equipment hire

- The importance of a longwall relocation equipment hire company's ability to provide a 'one stop shop' for longwall relocation equipment hire requirements, and the circumstances in which you would consider sourcing different pieces of equipment from multiple suppliers.
- If you own pieces of longwall relocation equipment, which pieces you own, why you choose to own rather than hire these particular pieces, and the circumstances in which you do or would cross-hire your equipment to other mine operators or to existing or new entrant equipment hire companies.
- The extent to which proven experience or a track record in longwall relocation equipment hire (including supplying the required pieces of equipment at the scheduled time) is important to you when selecting a longwall relocation equipment hire company.
- The circumstances in which you would sponsor new entry or expansion of a company to supply longwall relocation equipment hire services, and who this would be, for example, OEMs, other equipment or labour hire companies, etc.
- The circumstances in which you would purchase pieces of longwall relocation equipment rather than hiring them, which pieces you would purchase, and whether you would still need to rely on hire companies to meet your longwall relocation requirements even after purchasing equipment.

#### Suppliers and potential suppliers of longwall relocation equipment hire

- The minimum efficient scale and scope of operation required to be able to compete effectively with a combined Bis-Cougar in longwall relocation equipment hire.
- The ease and speed with which existing suppliers of longwall relocation equipment, OEMs, or other equipment or labour hire companies could expand, or new entrants enter, into the supply of longwall relocation equipment hire in

response to a combined Bis-Cougar attempting to increase prices or decrease service levels.

- The investments a firm would need to make to enter or expand successfully into the supply of longwall relocation equipment hire, such as equipment, regulatory approvals, maintenance and servicing of equipment. Specify the type, scale, indicative costs of, and lead-time associated with, the investment.
- The frequency with which second-hand longwall relocation equipment that is suitable for use in Australian longwall coal mines has become available in the past, and the circumstances or market conditions in which it has become available.
- Where you can source longwall relocation equipment (new or second-hand) for entry or expansion into longwall relocation equipment hire, and whether a new entrant can supplement its equipment fleet through cross-hire arrangements to compete with a combined Bis-Cougar.

## **Issue unlikely to raise concern: run of mine equipment hire**

74. The parties also provide run of mine equipment hire to underground coal mine operators in New South Wales and Queensland
75. The ACCC understands that underground coal mining involves specialised run of mine equipment, although some run of mine equipment may also be used for other types of mining. The ACCC considers that the hiring of run of mine equipment for underground coal mining may form a separate market from the hiring of other types of mining equipment, including surface coal mining equipment. However, it is unnecessary to form a definitive view on this.
76. Market participants have not raised concerns about the impact of the proposed acquisition on run of mine equipment hire. Market feedback indicates that there are a number of alternative suppliers of run of mine equipment hire for underground coal mining in New South Wales and Queensland, for example, Alfabs, Impact Mining, Valley Longwall International, and Southern Mine Hire.
77. The ACCC considers that post-acquisition there are likely to be sufficient constraints on a combined Bis-Cougar from remaining competitors.

The ACCC invites comments from market participants on its preliminary views about competition in the supply of run of mine equipment hire for underground coal mining in New South Wales and Queensland.

## **ACCC's future steps**

78. As noted above, the ACCC now seeks submissions from market participants on each of the issues identified in this Statement of Issues and on any other issue that may be relevant to the ACCC's assessment of this matter. Submissions are to be received by the ACCC no later than 23 August 2019 and should be emailed to [mergers@acc.gov.au](mailto:mergers@acc.gov.au).
79. The ACCC will finalise its view on this matter after it considers submissions invited by this Statement of Issues.

80. The ACCC intends to publicly announce its final view by 24 October 2019. However the anticipated timeline may change in line with the *Informal Merger Review Process Guidelines*. A Public Competition Assessment for the purpose of explaining the ACCC's final view may be published following the ACCC's public announcement to explain its final view.