# Competition Tribunal



# Tribunal de la Concurrence

CT-1997/001 – Doc #11a

IN THE MATTER OF an application by the Director of Investigation and Research under sections 92 and 105 of the *Competition Act*, R.S.C. 1985, c. C-34;

AND IN THE MATTER OF the proposed acquisition by Canadian Waste Services Inc. of the totality of shares of certain corporations engaged in the solid waste management and related businesses that are owned by Allied Waste Holdings (Canada) Ltd.

BETWEEN:

## The Director of Investigation and Research

**Applicant** 

- and -

Canadian Waste Services Inc.

Respondent



**CONSENT ORDER** 

# **Date of Hearing:**

April 14, 1997

## **Members:**

McKeown J. (presiding) Dr. Frank Roseman Ms. Christine Lloyd

# **Counsel for the Applicant:**

# **Director of Investigation and Research**

D. Martin Low, Q.C. Elspeth A. Gullen

# **Counsel for the Respondent:**

Canadian Waste Services Inc.

Mark J. Nicholson

**COMPETITION TRIBUNAL** 

CONSENT ORDER

The Director of Investigation and Research

ν.

Canadian Waste Services Inc.

FURTHER TO the application of the Director of Investigation and Research ("Director") pursuant to sections 92 and 105 of the *Competition Act* ("Act") for a consent order directing the divestiture of certain assets encompassed by the proposed acquisition and certain other remedies;

AND ON READING the notice of application dated March 5, 1997 including the statement of grounds and agreed material facts, the consent order impact statement, the affidavit of Lourdes DaCosta, the draft consent order and the consent of the parties, filed;

AND ON CONSIDERING THAT the Director and the respondent have reached an agreement which is reflected in the draft consent order;

AND ON CONSIDERING THAT the Director declares himself satisfied that, on the basis of the considerations outlined in the consent order impact statement, the remedies provided herein, if ordered, will be sufficient to remove the substantial lessening or prevention of competition in the non-hazardous solid management and related business in the Sarnia, Brantford

Ottawa and Outaouais markets, as described in the application;

AND ON HEARING counsel for the parties in respect of this application;

AND IT BEING UNDERSTOOD by the parties that nothing in this application shall be taken as an admission now or in the future by the respondent or the Director of any facts, submissions or legal arguments for any other purposes, including any future application under sections 92, 100, 104 or 106 of the Act;

AND FOR THE REASONS issued on this date under separate cover;

## THE TRIBUNAL ORDERS THAT:

#### **Definitions**

- 1. For the purposes of this order the following definitions shall apply:
  - (a) "acquisition" means Canadian Waste Services Inc.'s proposed acquisition of all the issued and outstanding shares of Laidlaw Waste Systems (Canada) Ltd. and Laidlaw Waste Systems Ltd. from Allied Waste Holdings (Canada) Ltd.;
  - (b) "Allied" means Allied Waste Holdings (Canada) Ltd;
  - (c) "businesses" means the non-hazardous solid waste management businesses and other related businesses, carried on by Allied Waste Holdings (Canada) Ltd. or Canadian Waste Services Inc. in the markets and purchased or operated by Canadian Waste

Services Inc., to be divested hereunder, more particularly described in Schedule A to this order, and "business" means any one of them (identified by the context of use);

- (d) "confidential information" means all competitively sensitive or proprietary information of the businesses, other than information which is independently known to Canadian Waste Services Inc. from sources other than from Allied Waste Holdings
   (Canada) Ltd. and includes, but is not limited to, information on customer lists, price lists and marketing methods;
- (e) "CWS" means Canadian Waste Services Inc.;
- (f) "divest" means sell, transfer, assign, grant any option for the purchase of, pledge or otherwise dispose of or encumber;
- (g) "divestiture period" means the period of time commencing on the date of the Consent Interim Order, March 6, 1997, which directs or provides for the businesses to be held separate and apart and ending no earlier than the date of divestiture of the businesses either by Canadian Waste Services Inc. or the trustee;
- (h) "independent manager" means a person appointed by the Director and the respondent who:
  - (i) is not an employee of the respondent or any person related thereto;

- (ii) shall have the day to day management and responsibility for the operation of the businesses;
- (iii) shall be indemnified and remunerated by the respondent;

and shall act in accordance with the terms of this order with a view to holding the assets and operations of the businesses separate and apart during that portion of the divestiture period prior to the appointment of a trustee hereunder;

- (i) "Laidlaw" means Laidlaw Waste Systems (Canada) Ltd. and Laidlaw Waste Systems Ltd.;
- (j) "markets" means Sarnia, Brantford, Ottawa and the Outaouais and "market" means any one of them (identified by the context of use);
- (k) "monitor" means the person appointed by the Director and the respondent to monitor compliance of the businesses within the terms of this order, and who:
  - (i) shall not be an employee of the respondent or any person related thereto;
  - (ii) shall be indemnified and remunerated by the respondent;
- (l) "person" means any natural person, corporation, association, firm, partnership or other business or legal entity;

(m) "purchaser" means the person or entity who purchases a business to be divested in accordance with the procedure specified herein.

## **Application**

- 2. The provisions of this order shall apply to CWS and:
- (a) each division, subsidiary or other person controlled by CWS and each officer, director, employee, agent or other person acting for or on behalf of CWS with respect to any matter referred to in this order;
- (b) CWS's successors and assigns and all other persons acting in concert or participating with any of them with respect to the matters referred to in this order who shall have received actual notice of this order;
  - (c) the trustee;
  - (d) the monitor;
  - (e) the independent manager; and
  - (f) the purchaser's successors and assigns.

## **Divestiture**

3. CWS shall divest itself of all its rights, title and interest of whatever character in the businesses, subject to and in accordance with this order. It shall promptly commence its efforts to divest and shall use its best efforts to complete the divestiture as soon as possible, but in any event no later than six months from the date of this order in accordance with the procedure for divestiture set out in this order.

#### **Divestiture Procedure**

- 4. Divestiture of the businesses shall be completed on the following terms:
  - (a) by sale, assignment of lease or sublease, assignment of contract, or other disposition which ensures that, on the completion of the divestiture, CWS does not retain directly or indirectly any right, title or interest in the businesses inconsistent with the intent of this order;
  - (b) by way of disposition of the businesses for use as a going concern;
  - (c) to an arm's length purchaser who will meet the following objective criteria:
    - (i) will effect the purchase with the expressed intention of carrying on the businesses so as to compete effectively with CWS; and
    - (ii) will have the managerial, operational and financial capability to operate and compete effectively in the relevant market;

- (d) by way of such a procedure, conducted in such a manner as will allow a fair and effective opportunity for bona fide prospective purchasers to receive notice of the prospective divestiture and to make an offer to acquire the divested assets; and
- (e) on usual commercial terms for transactions of the size and nature of those contemplated in this order.
- 5. Any person making a bona fide inquiry of CWS or its agent regarding the possible purchase by that person or its principal of the businesses shall be notified that the sale is being made pursuant to this order and provided with a copy of this order. Any bona fide prospective purchaser shall, subject to the execution of a customary confidentiality agreement:
  - (a) be furnished with all pertinent information regarding the assets or interests being divested, such information to be provided to the Director on request; and
  - (b) be permitted to make such inspection of the assets and of all financial, operational or other documents and information as may be relevant to the divestiture, except for any documents which have been or shall be made the subject of an order of confidentiality of the Tribunal.
- 6. CWS shall use its best efforts to accomplish the divestiture within the time period specified and to the extent permitted under this order. CWS shall provide to the businesses, at CWS's cost and in accordance with standards at least equal to those existing on February 28, 1997, such sales, managerial, administrative and operational and financial support, including

working capital, as may be reasonably necessary in the ordinary course of business to promote the continued effective operation of the businesses during the divestiture period.

- 7. CWS shall advise the Director every 30 days in writing of the progress of its efforts to accomplish the divestiture, including a description, with all reasonable detail, of contacts or negotiations and the identity of all parties contacted and prospective purchasers who have come forward.
- 8. In the event that a municipal residential collection or recycling contract requires the consent of the municipality for assignment of the contract and the municipality withholds its consent, the Director and CWS shall apply to the Tribunal, on notice to the municipality, for directions and any order that the Tribunal considers appropriate in the circumstances.

## **Backstop**

9. In the event that CWS does not receive an acceptable binding offer to purchase the business in the Sarnia market within four months of the date of this order, it shall offer, in addition to that business, to sell all its rights, title and interest in the Warwick landfill site as part of the divestiture and this combined offer shall be maintained if a trustee sale occurs.

## **Trustee Sale**

10. If the divestiture of the businesses or any of them has not been completed within six months from the date of this order, the parties shall agree on the nomination of a trustee ("the trustee"). If the parties fail to agree, the Tribunal, on the application of the Director, shall appoint a trustee to carry on the sale on the following terms (the "trustee sale"):

- (a) the businesses shall be divested by the trustee within three months of the trustee's appointment at the most favourable price and on the most favourable terms and conditions then available;
- (b) the trustee sale shall be accomplished in accordance with paragraphs 4 and 5 of this order;
- (c) the trustee sale shall be considered to have been completed when the purchaser has signed a binding agreement that has not been the subject of objection permitted by this order;
- (d) after the appointment of the trustee becomes effective, only the trustee shall have the right to effect the divestiture required by this order;
- (e) the trustee shall have the full power and authority to effect the trustee sale and shall use all reasonable efforts to accomplish it;
- (f) CWS shall use its best efforts to assist the trustee in accomplishing the trustee sale. In connection therewith, the trustee shall have full and complete access as is reasonable in the circumstances, subject to an appropriate confidentiality agreement, to the personnel, books, records and facilities of the businesses and CWS, who shall take no action to interfere with or impede the trustee's accomplishment of the trustee sale;
- (g) after appointment, the trustee shall, every 30 days, file reports with the Director and CWS, setting forth the trustee's efforts to accomplish the trustee sale;

- (h) all expenses reasonably and properly incurred by the trustee in the course of the trustee sale shall be paid by CWS and the proceeds of the trustee sale paid to CWS; and
- (i) the trustee shall have such other powers as the Tribunal deems appropriate.
- 11. CWS shall not object to a divestiture by the trustee on any grounds other than the trustee's malfeasance, gross misconduct or breach of this order and any such objection shall be made by notice to the Director in accordance with the provisions of paragraph 31.
- 12. If the trustee has not accomplished the required divestiture within three months of its appointment, the trustee shall thereupon promptly file with the Tribunal on a confidential basis a report setting forth: (1) the trustee's efforts to accomplish the required divestiture, and (2) the reasons, in the trustee's judgment, why the required divestiture has not been accomplished.

## Notification

- 13. The divestiture of the businesses is subject to the approval of the Director, who shall, inter alia, take into account the competitive impact of the acquisition by the proposed purchaser, and which shall be obtained in accordance with the procedure set out in paragraph 14 of this order.
- 14. CWS or the trustee, whichever is then responsible for effecting the divestiture required herein, shall notify the Director of any proposed divestiture or trustee sale. If the trustee is responsible, it shall similarly notify CWS. The notice shall be given at the time a binding offer that is acceptable to CWS or the trustee is received, and the Director's approval or disapproval

shall be given by notice to CWS or the trustee within two days of receipt of the notice of proposed divestiture or trustee sale.

#### **Interim Management**

- 15. CWS shall forthwith nominate an independent manager, to be appointed in accordance with this order, for the Brantford and Sarnia businesses to manage and operate those businesses independently of CWS's other businesses during the period prior to divestiture, generally on conditions specified in paragraphs 16 to 24, and in accordance with this order during the divestiture period.
- 16. During the period prior to divestiture by CWS or the trustee, the independent manager shall, to the extent required or permitted in this order, take all necessary steps and give all necessary instructions to cause the businesses and any servants or agents of CWS operating the businesses to:
  - (a) operate each of the businesses as if it were independent of CWS;
  - (b) use best efforts to maintain each of the businesses at at least the same level of competition as existed prior to the closing of the transaction;
  - (c) take all commercially reasonable steps to honour all contracts in each market and to maintain quality and service standards for customers at the level that existed prior to the closing of the transaction;

	(d)	use best efforts to enhance the competitiveness of each of the businesses without				
	regard to whether its competitor is CWS; and					
	(e)	not knowingly take or allow to be taken any action that adversely affects the				
	compe	etitiveness, assets, operations or financial status of any business.				
17.	In part	cicular, and without limiting the generality of paragraph 16, CWS shall not cause				
the bu	sinesses	s to, and none of the businesses shall, other than in the ordinary course of business				
or with	n the ap	proval of the Director:				
	(a)	divised any asset of any hypiness.				
	(a)	divest any asset of any business;				
	(b)	reduce any aspect of the businesses' level of service to any customer;				
	(c)	make any changes to the financial arrangements of the businesses;				
	(d)	curtail marketing, sales, promotional or other activities of any of the businesses in				
	connection with the solicitation of existing or prospective customers; and					
	Connec	ction with the solicitation of existing of prospective customers, and				
	(e)	terminate or alter any current employment, salary or benefit agreements for any				
	emplo	yees working in any of the businesses.				
18.	CWS	shall, to the extent required or permitted herein:				

- (a) take all steps necessary to ensure that each of the businesses is maintained as a separate and independent operation;
- (b) not take any steps toward integrating the assets, management, operations or books and records of any of the businesses with those of CWS or any other person;
- (c) where required and to the extent technologically feasible:
  - (i) segregate any books, records or other assets of the businesses that are commingled with those of CWS or any affiliate thereof; and
  - (ii) expunge any such books, records and all other commercially sensitive information (including information relating to customer contracts or relationships) from any information system of CWS or its affiliates;
- (d) prohibit, during the divestiture period and for a period of 12 months following divestiture, the solicitation of any customers of the businesses and any use by a CWS employee or other representative of any customer information which may be known to such employee or representative for any purpose; for greater certainty, the prohibition against solicitation does not apply to business subject to tender;
- (e) cause the businesses to, and the businesses shall, maintain, in accordance with generally accepted accounting principles, separate and complete financial ledger books and records of material financial information for each of the businesses; and

- (f) cause the businesses to, and the businesses shall, follow the reasonable instructions and directions of the independent manager given pursuant to the provisions and purposes of this order.
- 19. CWS shall not directly or indirectly receive, have access to, or use any confidential information relating to the businesses, except as is necessary to comply with the terms of this order, and except for confidential information required to permit relevant financial officers and accountants of CWS to prepare standard financial reports, if required. The relevant financial officers shall be identified to the Director and shall be approved by him. The accountants of CWS shall execute a reasonable form of undertaking to hold such information in confidence, to prepare standard financial reports.
- 20. None of the businesses shall divulge any confidential information relating to the businesses to any person including CWS, except as is necessary to comply with the terms of this order and except for confidential information required to permit relevant financial officers and accountants of CWS to prepare standard form reports, if required. The relevant financial officers shall be identified to the Director and shall be approved by him. The accountants of CWS shall execute a reasonable form of undertaking to hold such information in confidence, to prepare standard financial reports.
- 21. Neither CWS or any of the businesses shall:
  - (a) enter into or withdraw from any contracts or arrangements in regard to the businesses or make any changes to their operation that would have the effect of

materially inhibiting or unreasonably delaying the divestiture of the businesses or materially reducing the value of the businesses;

- (b) without the consent of the Director, relocate, destroy or dismantle any fixed assets of any of the businesses unless, due to circumstances beyond the control of CWS or the businesses, a business is forced to move, relocate or dismantle any of its assets to preserve such assets and CWS has notified the Director; or
- (c) enter into any agreement to lease or otherwise encumber any assets of the businesses, or real property occupied by the businesses, to any other person, without the consent of the Director.
- 22. CWS and the businesses shall not alter, or cause to be altered, the management of the businesses as existed prior to the closing of the transaction.
- 23. CWS shall provide a copy of this order to the managers of the businesses and to the managers of the other CWS operations in the markets and CWS shall direct such managers to operate and manage such businesses and operations in accordance with the terms of this order.
- 24. Subject to paragraphs 19 and 20, CWS shall not directly or indirectly seek any confidential information in connection with, or (without the consent of the Director acting reasonably) exert or attempt to exert any influence, direction or control over, the businesses or their managers or operational, sales, distribution, marketing or financial decisions.

#### **Monitor**

- 25. CWS shall forthwith nominate a monitor to be appointed in accordance with this order for each of the respective businesses of the acquired companies. The monitor (or any replacement) shall be responsible for monitoring each such business as is necessary to ensure compliance with this order during the divestiture period.
- 26. The same individual or different individuals may be appointed to act as monitor for each of the businesses. In the event that the monitor is unable to perform his duties under this order because of death, disability, termination for cause, or other reason, CWS shall appoint for each or both of the businesses, within five business days, and subject to the approval of the Director, a new monitor who shall not be an employee of CWS or any of its affiliates. Should a new monitor not be so appointed, the Tribunal, upon application of the Director, may appoint a new monitor on behalf of each or both of the businesses.
- 27. If, in the reasonable opinion of the Director, a monitor is not fulfilling the duties of the monitor under this order, the Director may request that the businesses for which such monitor is acting appoint a new monitor who shall be appointed subject to the reasonable approval of the Director. If a new monitor has not been appointed within five business days, the Director may apply to the Tribunal to make such an appointment.
- 28. Each of the businesses shall give its monitor:
  - (a) unlimited access to its premises and its business;

- (b) any information relating to its operations and assets and its business; and
- (c) access and records relating to all meetings of its management and other committees as may be required by the monitor to fulfill his duties under this order.
- 29. CWS shall not exert or attempt to exert any influence, direction or control over the monitor which has or could have the effect of adversely affecting the discharge of his duties under this order.
- 30. The monitor shall discharge his duties on the following terms:
  - (a) if the monitor determines, in his reasonable opinion, that CWS or a business is in default of any of the terms of this order, the monitor shall notify the Director and CWS of such breach;
  - (b) the monitor shall not consult with CWS except as is necessary to ensure compliance with this order, and for greater certainty, the monitor shall not disclose to CWS any opinion referred to in paragraph (a) prior to giving notice to the Director;
  - (c) the monitor shall not communicate confidential information about the acquired companies or the businesses to any person except to the extent required or permitted by this order;

(d) the Director shall have the right to request from the monitor from time to time,

and forthwith upon such request the monitor shall provide to the Director and to CWS, a

written report relating to the businesses' compliance with this order; and

(e) the monitor shall not be subject to personal liability for any breach of this order

by him or by CWS or any of the businesses.

31. Notices, reports or other communications required or permitted pursuant to this order

shall be in writing and shall be considered to be given if dispatched by personal delivery or by

registered mail or by facsimile transmission to the parties listed in Schedule B to this order.

32. If the Director's approval is sought pursuant to this order and such approval is not

granted, or if a decision of the Director is unreasonably delayed or withheld, the respondent may

apply to the Tribunal for approval.

33. The Consent Interim Order dated March 6, 1997 is hereby rescinded and replaced with

this order.

DATED at Ottawa, this 16<sup>th</sup> day of April, 1997.

SIGNED on behalf of the Tribunal by the presiding judicial member.

(s) W. P. McKeown

W. P. McKeown

#### **SCHEDULE A**

#### I. BRANTFORD BUSINESS

All assets of the Brantford business operated prior to the acquisition by CWS, to be sold as a going concern, including all contracts relating to customers currently being served by the Brantford business with the exception of the contracts with the City of Brantford which expire on October 31, 1997, and more specifically, the following:

- · Location of Depot: 779 Powerline Rd., Brantford, Ontario OWNED
- · Phone: (519) 759-4370
- · Municipal Waste Collection Contracts: 2 (Town of Paris, City of Cambridge)
- · Municipal Recycling Collection Contracts: 2 (Regional Municipality of Haldimand Norfolk, Town of Paris/Township of South Dumfries)
- · No. of Containers:
  - ► FL 842
  - ► RO 123
- · No. of Vehicles:
  - ► RL 9, including:

Unit No. 226, 1996 FRHT MCV, V.I.N. No. TH772313 Unit No. 227, 1996 FHHT MCV, V.I.N. No. TH772312 Unit No. 228, 1996 INTL 40S, V.I.N. No. TH377088 \*Unit No. 235, 1993 INTL 40S, V.I.N. No. PH481285 Unit No. 229, 1996 INTL 40S, V.I.N. No. TH377089 and four (4) 1993 INTL 40S, V.I.N. No. PH481285

► RO - 4, including:

Unit No. 421, 1993 MACK600, V.I.N. No. PM002355 Unit No. 426 1988 INTL 36, V.I.N. No. JH553787 Unit No. 429 1994 MACK600, V.I.N. No. RM002683 Unit No. 472 1989 INTL SS, V.I.N. No. KH619473

- FL -1, Unit 200, 1991 MACK 600, V.I.N. No. MM002932
- Recycling 1, Unit 330, 191 INTL 40S, V.I.N. No. MH344509
- Trailer 1, 1995 UNIV400, V.I.N. No. S1004115
- Pick up 1, 1994 VM, V.I.N. No. 83148067
- ► TOTAL 17

\* Note:

Unit No. 235 described above is utilized in fulfilling both the Township of Paris municipal contract as well as the City of Brantford municipal contract. This vehicle is to be included in the divestiture package at the option of the purchaser.

- · Employees:
- ► RL 6 (Brokers)
- ► Recycling 1
- ► RO 3
- ► Office 3
- ► Maintenance 2
- ► Other 1
- ► TOTAL 19

#### II. SARNIA BUSINESS

- 1. The Sarnia operation is located at 396 McGregor Road, Sarnia, Ontario. This is a leased property and contains a small office and yard for parking and container storage. The property is leased from Sarnia Truck Centre which is utilized for truck maintenance.
- 2. The Sarnia operation mainly services the County of Lambton and the towns of Wallaceburg and Strathroy.
- 3. The services provided from this location are:
  - (a) Front-load service of 2, 3, 4, 6 and 8 cubic yard containers.
  - (b) Roll-off service of 20, 30 and 40 cubic yard containers.
  - (c) Office recycling service is also provided through the London operation.

The number of containers utilized in providing the above services are:

(a) Front-end:

2 yarders	-	102
3 yarders	-	43
4 yarders	-	344
6 yarders	-	358
8 yarders	-	95
TOTAL:		942

(b) Roll-off:

15 yarders - 6 20 yarders - 40 27 yarders - 1 30 yarders - 14 40 yarders - 26 50 yarders - 1 TOTAL: 88

4. The trucks used for the Sarnia operation are as follows:

#### FRONT-LOAD

- (a) 769287 1996 Volvo White this is an owner operator unit
- (b) 783584

#### **ROLL-OFF**

- (a) 674159
- (b) 600071

#### PAL BODY

- (a) 190451
- 5. The associates that work at the Sarnia operation are as follows:
  - (a) Jason Archer, Front-end Owner Operator
  - (b) Richard Gibb, Roll-off and Pal Body Operator
  - (c) Pete St. Pierre, Front-end and Roll-off Operator
- 6. All customer contracts and other assets which have been assigned or sold by Allied or Laidlaw to CWS in the proposed acquisition.
- 7. A contractual licence to access landfills in Sarnia owned and operated or operated by CWS on a "most favoured nation" basis, which shall include the following terms:
  - (i) For a period of ten years from the date of this order, CWS shall offer, or shall cause to be offered, a tipping fee for the disposal of non-hazardous solid waste collected from the Sarnia business ("the Sarnia tipping fee") which shall be equal to the tipping fee charged to CWS by the County of Lambton at the Sarnia landfill from time to time.

- (ii) The Sarnia tipping fee shall apply to the following disposal sites:
  - (a) Blackwell Road landfill;
  - (b) Sarnia landfill;
  - (c) Unitec landfill; and
  - (d) Warwick landfill.
- (iii) Should the Sarnia landfill close, the Sarnia tipping fee at the other sites listed in subparagraph (ii) shall continue at the tipping fee charged to CWS by the County of Lambton immediately prior to such closure, subject to an annual price increase of three per cent.

## (iv) Definitions:

- (a) "Sarnia landfill" means the landfill owned by the County of Lambton, located at 5162 Blackwell Side Road, Sarnia, Ontario.
- (b) "Blackwell Road landfill" means the landfill owned by CWS, located at Parts of Lots 47-51, Front Concession, Sarnia, Ontario.
- (c) "Unitec landfill" means the landfill owned by CWS, located at Part of Lot 22, 12th Concession, Township of Moore, Ontario.
- (d) "Warwick landfill" means the landfill formerly owned by Allied and acquired by CWS, located at the east half of Lot 20, Concession 3 SCR, Township of Warwick, Ontario.

# III. OTTAWA AND OUTAOUAIS BUSINESSES

1. All customer contracts and other assets which have been assigned or sold by Allied or Laidlaw to CWS in the proposed acquisition which were acquired by Laidlaw from Waste Management Inc. in September 1996, as follows:

WASTE MANAGEMENT INC. ACQUISITION								
WASTE MANAGEME	AT INC. ACQUISIT	HON						
CUSTOMERS (per acquisition details)								
Service								
Туре	Description	Number	Sub-total	N/A				
Commercial English	Commercial	1842						
Commercial French	Commercial	595	2437					
Residential English	Residential	6						
Residential French	Residential	12	18					
Roll-off English	Roll-off	1488						
Roll-off French	Roll-off	341	1829					
			4284					
Vehicles								
Front-load		7						
Roll-off		6						
Commercial Recycling		5						
Residential Rear-load		23						
Service Vehicles		4						
Trailer		1	46					
			46					

CONTAINERS (per acquisition details)				
Туре	Size	Quantity	Sub-total	N/A
Roll-off - Recycling	40 yd	2		
Roll-off - Recycling	22 ft	6		
Roll-off - w/compart.	28 yd	1		
3 compart. recyc.		2		
Roll-off - 15 yd		26		
Roll-off - 20 yd		244		
Roll-off - 30 yd		92		
Roll-off - 40 yd		4	377	
Front-load / Rear-load	1 yd	36		
Front-load / Rear-load	2 yd	549		
Front-load	3 yd comp.	6		
Front-load / Rear-load	4 yd	680		
Front-load / Rear-load	6 yd	1045		
Front-load / Rear-load	8 yd	143		
Front-load	10 yd	2	2461	
Steel carts	½ yd	555	555	
Side-load - Ottos	64 & 96 Gal	608	608	
Recycling		77		

- 2. A contractual licence to access landfills in the Ottawa market owned and operated by CWS on a "most favoured nation" basis, which shall include the following terms:
  - (i) For a period of ten years from the date of this order, CWS shall provide to the purchaser of the Ottawa business a tipping fee for the disposal of non-hazardous solid waste collected by the Ottawa business at the West Carleton landfill ("the Ottawa tipping fee") at a price that is equal to \$63.50, subject to an annual increase equal to the annual increase imposed by the Trail Road landfill.

- (ii) Definitions:
  - (a) "West Carleton landfill" means the landfill formerly owned by Allied and acquired by CWS, located at the south half of Lot 4, Concession 3, Township of West Carleton, Ontario.
- (b) "Trail Road landfill" means the landfill owned by the Municipality of Ottawa-Carleton and located at 4475 Trail Road, RR#2, Richmond, Ontario, K0A 2Z0.

## **SCHEDULE B**

## If to the Director:

Director of Investigation and Research Competition Bureau Industry Canada Place du Portage, Phase I 50 Victoria Street Hull, Quebec K1A 0C9 Attention: D. Martin Low, Q.C.

Tel.: (819) 997-3325 Fax: (819) 953-9267

# If to the respondent:

Blake, Cassels & Graydon
Box 25
191 Bay Street
Commerce Court West
Suite 2800
Toronto, Ontario
M5L 1A9
Attention: Mark J. Nicholson

Tel.: (416) 863-2967 Fax: (416) 863-2653