Competition & regulation

Cyril Ritter
European Commission
DG COMP

Back in fashion

- Digital economy issues
- Tech firms increasingly B2C
- Next steps? 3 views
 - Do more with comp law but recognise limits
 - More regulatory goals in comp law
 - Turn to regulation

Do more with comp law but recognise limits

- Self-preferencing (Google Shopping, 2017)
- Pre-installation (Google Android, 2018)
- Interoperability (Microsoft/LinkedIn, 2016; Broadcom/Brocade, 2017)
- Standard-essential patents (Motorola, 2014; Samsung, 2014)
- Collusion on business models (*E-books*, 2012 and 2013)
- Most-favoured-nation clauses (Amazon, 2017)
- Restrictions on brand bidding (Guess, 2018)
- Algorithm-enhanced RPM (Consumer electronics, 2018)
- Geoblocking/market partitioning (Pay-TV, 2019)
- Exclusivity (Qualcomm, 2018; Google AdSense, 2019)
- Interim measures (Statement of Objections in Broadcom, 26 June 2019)

More regulatory goals in competition law (1)

Consistency arguments

- Specific consistency clauses
- General consistency clause (Art. 7)
- Clause re consistency with the Charter (Art. 51)
- Competition law should accommodate reg goals
- Through more comp enforcement
- Through less comp enforcement

More regulatory goals in competition law (2)

Question

- Comp law to actively promote other goals?
- → Comp law to avoid conflict/inconsistencies?

More regulatory goals in competition law (2)

Question

- Comp law to actively promote other goals?
- → Comp law to avoid conflict/inconsistencies?

More regulatory goals in competition law (2)

Question

- Comp law to actively promote other goals?
- → Comp law to avoid conflict/inconsistencies?

But reg goals can be subsumed under comp notions

- Quality
- Efficiencies
- Wouters "legitimate objectives"
- Article 21 EUMR "legitimate interests"

Turn to regulation?

- Clearly definable issue
- The issue is widespread or recurrent
- The issue is usually bad or always bad
- The regulatory rule takes comp into account
- Reliable enforcement mechanism
- Without prejudice to comp enforcement

Conclusion on competition & regulation

- Mutual influence
- Minimalist view of consistency
- Competition & regulation are complements, not substitutes!
 - Regulation then competition
 - Competition then regulation
 - Comp & reg at the same time

Backup slides

Competition v. regulation (1)

- Ex post v. ex ante
- Proscribe v. prescribe
- Single firm/group of firms v. all firms
- All sectors v. single sector
- Faster and adaptable v. rigid and slow

Competition v. regulation (2)

- Blunt v. surgical
- More/less democratic
- More/less stakeholder participation
- More/less capture
- Best institutional design?
- Which is better suited to international convergence?