Concentrations in brief

The Eaton / Aeroquip-Vickers Case

The Commission has approved the operation, whereby Eaton Corporation acquires Aeroquip-Vickers Inc. Eaton is active in the manufacture of electrical and electronic distribution and control equipment, engine components, hydraulic products and defence systems equipment for the aerospace, automotive and other industries on a global scale. Aeroquip-Vickers is engaged in the manufacture and distribution of engineered components for the automotive, industrial and aerospace industries. Both companies are US-based. The Commission has concluded that the activities of the parties are largely complementary and that their overlaps in hydraulic piston pumps do not give raise to the creation or strengthening of a dominant position as a result of which effective competition would be significantly impeded in the European Economic Area (EEA) or any substantial part of that area. Source: Commission Statement IP/99/214, dated 7 April 1999.

The Thomas Cook Holdings Case

The Commission has cleared the formation of a joint venture in the British leisure travel sector combining the activities of the Thomas Cook Group and the Carlson Leisure Group. The new company, Thomas Cook Holdings Ltd, will be under the joint control of the German credit institution, Westdeutsche Landesbank, the German conglomerate, Preussag, and a privately owned American company, Carlson. It will supply foreign package holiday services to British customers. The Commission considers that the new joint venture's share of the tour operator, travel agency and charter airline markets in the United Kingdom will not give rise to any competition concerns. Source: Commission Statement IP/99/162, dated 9 March 1999.

The Lucent / Ascend Case

The Commission has authorised the acquisition of Ascend Communications Inc by Lucent Technologies Inc. Lucent and Ascend are both USA-based companies active in the field of equipment for communication networks, with Lucent being mainly active in systems for telecommunication networks and Ascend in solutions for data networks, and especially Wide Area Networks (WAN). The Commission concludes that the operation does not create or strengthen a dominant position on any relevant product or geographic market. The operation is essentially of a complementary nature, and gives rise to few overlaps. The main overlap takes place in the field of Remote Access concentrators, which are call-aggregation devices designed for dial-in applications, and primarily Internet Access. Given the presence of strong competitors (such as Cisco), and in view of the rapid technological evolution of the market, the Commission has concluded that the operation would not create or strengthen a dominant position in this sector. The conglomerate aspects did not appear to raise concerns either. Source: Commission Statement IP/99/221, dated 9th April 1999. □