



EUROPEAN COMMISSION

Competition DG

Policy and Strategy

Antitrust and Mergers – Policy and Scrutiny

OPINION

of the ADVISORY COMMITTEE on MERGERS

given at its meeting of 17 July 2008

regarding a draft decision relating to

Case COMP/ M.4874 - ITEMA/BARCOVISION

Rapporteur : AUSTRIA

1. The Advisory Committee agrees with the Commission that the notified operation constitutes a concentration within the meaning of Article 3(1)(b) of the EC Merger Regulation and that it can be deemed to have a community dimension pursuant to Article 4(5) of that Regulation.
2. The Advisory Committee agrees with the Commission that this is essentially a vertical merger comprising the following relevant product markets:
 - Winder sensors - Upstream market
 - Winders - Downstream market

 - Open-end spinning sensors - Upstream market
 - Open-end spinning machines – Downstream market – the question whether open-end spinning machines and ring spinning machines form part of the same market can be left open in the present case

 - Weaving sensors - Upstream market
 - Weaving machines (rapier looms, projectile looms and air-jet looms) – Downstream market – the question whether these markets should be further sub-segmented (negative/positive rapier looms, projectile/air-jet looms) can be left open in the present case

 - MES for the textile industry – the exact product market definition for these products can be left open in the present case.
3. The Advisory Committee agrees with the Commission that:
 - the market for winder sensors is worldwide in scope
 - the market for open-end spinning sensors is worldwide in scope
 - the market for weaving sensors is worldwide in scope

 - the market for winders is worldwide in scope

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- the market for open-end spinning machines is at least EEA-wide in scope
 - the market for weaving machines is at least EEA-wide in scope

 - the market for MES for the textile industry is worldwide in scope
4. The Advisory Committee agrees with the Commission's conclusion that the merged entity would have no incentive to stop supplying, either partially or totally, one or all of its competitors on the market for winders with winder sensors.
 5. The Advisory Committee agrees with the Commission's conclusion that the proposed concentration is not likely to result in any anti-competitive impact to the detriment of consumers on the market for winders and winder sensors.
 6. The Advisory Committee agrees with the Commission's conclusion that the proposed concentration is not likely to result in any anti-competitive impact to the detriment of consumers on the market for open-end spinning machines and open-end spinning sensors.
 7. The Advisory Committee agrees with the Commission's conclusion that the proposed concentration is not likely to result in any anti-competitive impact to the detriment of consumers on the market for weaving machines and weaving sensors.
 8. The Advisory Committee agrees with the Commission's conclusion that the proposed concentration is not likely to result in any anti-competitive impact on the market for MES.
 9. The Advisory Committee agrees with the Commission's conclusion that the proposed concentration will not result in a significant impediment of effective competition in the common market or a substantial part of it.
 10. The Advisory Committee agrees with the Commission that the notified concentration should therefore be declared compatible with the common market pursuant to Article 8(1) of the EC Merger Regulation.
 11. The Advisory Committee recommends the publication of its Opinion in the Official Journal of the European Union.

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