



EUROPEAN COMMISSION
DG Competition

Case M.8569 -
EUROPCAR /
GOLDCAR

Only the English text is available and authentic.

REGULATION (EC) No 139/2004
MERGER PROCEDURE

Article 6(1)(b) NON-OPPOSITION

Date: 05/12/2017

*In electronic form on the EUR-Lex website under
document number 32017M8569*



EUROPEAN COMMISSION

Brussels, 5.12.2017
C(2017) 8396 final

In the published version of this decision, some information has been omitted pursuant to Article 17(2) of Council Regulation (EC) No 139/2004 concerning non-disclosure of business secrets and other confidential information. The omissions are shown thus [...]. Where possible the information omitted has been replaced by ranges of figures or a general description.

PUBLIC VERSION

To the notifying party :

Dear Sir or Madam,

Subject: **Case M.8569 – Europcar/Goldcar**
Commission decision pursuant to Article 6(1)(b) of Council
Regulation No 139/2004¹

¹ OJ L 24, 29.1.2004, p. 1 (the "Merger Regulation"). With effect from 1 December 2009, the Treaty on the Functioning of the European Union ("TFEU") has introduced certain changes, such as the replacement of "Community" by "Union" and "common market" by "internal market". The terminology of the TFEU will be used throughout this Decision.

Table of contents

1.	THE PARTIES AND THE OPERATION	3
2.	EU DIMENSION	3
3.	MARKET DEFINITION	4
3.1.	Product market definition	4
3.1.1.	Distinction between short-term and long-term car rental services	4
3.1.2.	Distinction between rental services for passenger cars and industrial vehicles	4
3.1.3.	Distinction between corporate and leisure short-term car rental services	5
3.1.4.	Distinction between low cost, value and premium car rental services	5
3.1.5.	Distinction between on-airport and off-airport car rental services	6
3.1.6.	Conclusion	8
3.2.	Geographic market definition	8
4.	COMPETITION ASSESSMENT	9
4.1.	Elements common to the assessment of the markets for the supply of short-term car rental services	9
4.1.1.	Market structure	9
4.1.2.	Closeness of competition	10
4.1.3.	The role of brokers	12
4.1.4.	Barriers to entry or expansion	13
4.2.	Overview of the Parties' market shares	17
4.2.1.	Methodology for estimating market shares at local and national levels	17
4.2.2.	Overlapping markets	17
4.3.	Market-specific analysis	20
4.3.1.	France	20
4.3.2.	Italy	23
4.3.3.	Portugal	39
4.3.4.	Spain	45
4.4.	Coordinated effects	78
5.	CONCLUSION	80

- (1) On 27 October 2017, the European Commission received a notification of a proposed concentration pursuant to Article 4 of the Merger Regulation by which Europcar Groupe S.A. ("Europcar", France) acquires within the meaning of Article 3(1)(b) of the Merger Regulation control of the whole of Car Rentals Topco, S.L. and its subsidiaries (together "Goldcar", Spain) by way of purchase of shares (the "Transaction").² Europcar and Goldcar are collectively referred to as the "Parties".

1. THE PARTIES AND THE OPERATION

- (2) Europcar is mainly active in the short-term vehicle rental market, with an average fleet of around 200 000 vehicles and a presence in more than 140 countries worldwide. Europcar offers rental vehicles through its brands Europcar as well as InterRent, which focuses on lower cost services. In addition, Europcar is active in the mobility markets and, to a minor extent, in the sale of used cars.
- (3) Goldcar is active in the leisure segment of the short-term vehicle rental market, with an average fleet of around 35 000 vehicles and 76 offices opened in the EU (Spain, Portugal, France, Italy, Greece and Croatia). In addition, Goldcar is marginally active in the sale of used cars.
- (4) The Transaction consists in the acquisition by Europcar of 100% of the shares of Goldcar and, as a result, in the acquisition of sole control over Goldcar.
- (5) Therefore, the Transaction constitutes a concentration within the meaning of Article 3(1)(b) of the Merger Regulation.

2. EU DIMENSION

- (6) The undertakings concerned have a combined aggregate world-wide turnover of more than EUR 2 500 million (Europcar:³ EUR [\geq 4 000] million; Goldcar: EUR [\geq 300] million).⁴ Each of them has an EU-wide turnover in excess of EUR 100 million (Europcar: EUR [...]; Goldcar: EUR [...]).
- (7) The combined aggregate turnover of Europcar and Goldcar exceeds EUR 100 million in [...], [...] and [...], and each of them has a turnover in excess of EUR 25 million in each of these three Member States.
- (8) The two undertakings concerned do not achieve more than two-thirds of their aggregate EU-wide turnover within one and the same Member State.
- (9) The Transaction has therefore an EU dimension according to Article 1(3) of the Merger Regulation.

² Publication in the Official Journal of the European Union No C 376, 08.11.2017, p. 6.

³ Based on Europcar's shareholding structure and attendance rate at past shareholders' meetings, it is assumed, for the purpose of this Decision, that Eurazeo S.A. exercises *de facto* control over Europcar. Nevertheless, the Transaction would have an EU dimension even if Europcar were deemed not controlled by Eurazeo.

⁴ Turnover calculated in accordance with Article 5 of the Merger Regulation.

3. MARKET DEFINITION

- (10) The Parties' activities essentially overlap in the supply of short-term car rental services in France, Italy, Portugal and Spain, in particular at airports, where they serve airline passengers.⁵

3.1. Product market definition

3.1.1. Distinction between short-term and long-term car rental services

- (11) The Commission has found in previous decisions that it may be appropriate to distinguish between short-term car rental services (e.g. provision of cars for an individually agreed duration for business or leisure trips) and long-term car rental services (e.g. with a rental period of more than one year).⁶ In addition, it has considered whether other mobility solutions such as car sharing form part of short-term car rental services.⁷
- (12) Europcar defines the relevant market as the short-term vehicle rental market.⁸
- (13) In any case, for the purpose of this Decision, the question of the distinction between short-term and long-term car rental services and, within the short term car rental services, between the different mobility solutions can be left open, as the Transaction would not raise serious doubts as to its compatibility with the internal market under any plausible market definition.
- (14) Considering that Goldcar does neither offer long-term car rental services⁹ nor other mobility services than short-term car rental,¹⁰ the Commission will focus its analysis on the market for short-term car rental services.

3.1.2. Distinction between rental services for passenger cars and industrial vehicles

- (15) The Commission has also considered in previous decisions the possibility of further dividing the short-term car rental market between passenger cars and industrial vehicles, i.e. trucks.¹¹
- (16) Europcar considers that there is an overall short-term rental product market.¹²

⁵ The Transaction also relates, to a minor extent, to the sale of used cars. However, given the negligible activity of the Parties, the Transaction would not lead to any affected market in relation to the sale of used cars. Therefore, the sale of used cars will not be further considered in this Decision.

⁶ See e.g. Cases M.6333 – *BMW/ING Car Lease*, paragraph 17; M.4613 – *Eurazeo S.A./Apcoa Parking Holdings GmbH*, paragraph 16.

⁷ See e.g. Cases M.8309 – *Volvo Car Corporation/First Rent A Car*, paragraph 44; M.6333 – *BMW/ING Car Lease*, paragraph 18.

⁸ Form CO, paragraphs 92 and 100.

⁹ Form CO, paragraph 102.

¹⁰ Form CO, Annex 16 – Europcar's reply to QP1 of 14 July 2017.

¹¹ See e.g. Case M.5347 – *Mapfre/Salvador Caetano/JVs*, paragraph 9.

¹² Form CO, paragraph 92.

- (17) In any case, for the purpose of this Decision, the question of the distinction between passenger cars and industrial vehicles can be left open, as the Transaction would not raise serious doubts as to its compatibility with the internal market under either plausible market definition.
- (18) Considering that Goldcar does not offer rental services for industrial vehicles,¹³ the Commission will focus its analysis on the market for rental services for passenger cars.

3.1.3. *Distinction between corporate and leisure short-term car rental services*

- (19) Within the market for short-term car rental services, the Commission has defined separate markets according to customer groups, differentiating between corporate and leisure car rentals. Corporate car rentals would mainly be the result of corporate agreements concluded between major car rental companies and large corporations. While leisure customers in general rent cars from a wide range of companies, corporate car rentals are usually booked on the basis of corporate agreements from a small group of large, international reliable rental companies that have the requisite airport network, reputation, and service levels.¹⁴
- (20) Europcar submits that, from the demand-side perspective, there are leisure customers with similar preferences to corporate customers, while there is a high degree of supply-side substitutability.¹⁵
- (21) In any case, for the purpose of this Decision, the question of the distinction between corporate and leisure short-term car rental services can be left open, as the Transaction would not raise serious doubts as to its compatibility with the internal market under either plausible market definition.
- (22) Considering that Goldcar addresses only leisure customers, the Commission will assess the effects of the Transaction on the basis of (i) all customers (corporate and leisure rentals), and (ii) leisure customers only.

3.1.4. *Distinction between low cost, value and premium car rental services*

- (23) By analogy to air carriers, some car rental operators (such as Goldcar) market their services as a "low cost" product, as opposed to value or premium services. The low cost segment aims at addressing the customers' needs and expectations through a "no-frills" strategy by which any cost which is not an absolute need is cut.¹⁶
- (24) The Commission has not considered a distinction between car rental companies based on their operating models yet.
- (25) Europcar submits that the market for car rental services should not be divided between the low cost, value and premium segments, since there are no structural

¹³ Form CO, paragraph 102.

¹⁴ See e.g. Case M.2510 – *Cendant/Galileo*, paragraph 21.

¹⁵ Form CO, paragraphs 93-94.

¹⁶ Form CO, Annex 16 – Europcar's reply to QP1 of 14 July 2017.

differences between low cost and other brands in the car rental industry. According to Europcar, the products offered by low cost, value and premium brands are homogeneous. In addition, they are distributed through the same channels, very often over the internet, and brokers present the products to customers in the same way.¹⁷ Finally, Europcar has submitted a "Price comparison analysis" according to which the differences between the low cost, value and premium categories are very limited.¹⁸

- (26) On this topic, the market investigation is inconclusive. A number of car rental operators and brokers having expressed a view consider that low cost car rental services are not interchangeable with value or premium car rental services provided at the same location.¹⁹ One respondent submitted that *"a client booking with a premium brand would expect a higher level of service, faster pick up process, better quality of vehicle and transparency in pricing"*, while *"a client booking with a low cost company should expect longer pick up process, hidden extras and in certain cases a lower quality of vehicle"*.
- (27) However, a comparable number of market participants highlight that the validity of this distinction depends on the customers. One competitor noted that, since *"customers base their purchase decision mainly on price the distinction between low cost, value for money or premium is irrelevant, therefore all companies are interchangeable."* Another competitor indicated that in the country where it operates, *"the difference between low cost services and high-level services is reduced more and more and the customer looks for the lowest price as first choice."*²⁰
- (28) Overall, the Commission has not found solid-enough evidence to distinguish a low cost market for car rental services. Therefore, for the purpose of this Decision, the Commission considers that low cost, value and premium car rental services form part of one and the same market. The differences between low cost, value and premium services will nevertheless be taken into account in the competitive assessment, in particular when looking at closeness of competition.

3.1.5. *Distinction between on-airport and off-airport car rental services*

- (29) Considering the focus of Goldcar's activities on services to airport passengers, the Commission has assessed whether the services provided by car rental companies located within the airport and operating under a concession agreement ("on-airport" services) and the services provided by car rental companies operating in the surrounding of the airport without a concession agreement ("off-airport" services) are substitutable.²¹

¹⁷ Form CO, Annex 16 – Europcar's reply to QP1 of 14 July 2017.

¹⁸ Form CO, Annex 19 – Price comparison analysis report prepared by Charles River Associates of 5 September 2017.

¹⁹ Replies to Questionnaire 1 to market participants, question 6.

²⁰ Replies to Questionnaire 1 to market participants, question 6.1.

²¹ Off-airport operators may provide car rental services from a rental station located at a walking distance from the airport terminal, or through a courtesy bus (free shuttle bus transportation), or through "meet & greet" services if an assistant receives the customers at the airport to deliver/collect the car.

- (30) Europcar considers that no distinction should be made between the car rental services offered on-airport and off-airport. It argues that there are no significant differences between the products offered by concession holders and non-concession holders in any of the three phases of the customers' experience (reservation, pick-up and drop-off).²²
- (31) On this topic, the market investigation yielded mixed results. The majority of the car rental companies having expressed a view submit that customers consider on-airport and off-airport services as interchangeable, while the majority of brokers having expressed a view are of the opposite opinion.²³ A number of respondents explain that the main driver for customers to choose a car rental company is price, and that the off-airport location of the service does not necessarily drive their decision, particularly in the leisure segment.²⁴
- (32) Likewise, car rental companies and brokers bring forward the importance of the location of the car pick-up point (and its distance from the point of interest, such as the airport) in customers' choice of service providers. They notably indicate that airport passengers typically prefer on-airport locations. However, they also rank price as the most important criterion of choice for customers, ahead of the distance of car pick-up.²⁵
- (33) In this context, only a minority of respondents having expressed a view submit that customers of on-airport car rental services would not be willing to switch to off-airport car rental services if the current prices of on-airport services were to increase by 5%-10% on a permanent basis.²⁶
- (34) In terms of competitive landscape, the Commission notes that car rental companies holding a network of stations switch from on-airport to off-airport operations (and vice-versa) depending on business opportunities and profitability.
- (35) In addition, the websites of car rental companies and brokers, which are the main distribution channel of car rental services,²⁷ advertise similarly on-airport and off-airport services.²⁸
- (36) Therefore, for the purpose of this Decision, the Commission considers that it is not appropriate to consider on- and off-airport services as distinct markets, at least for leisure customers targeted by Goldcar. The differences between on-airport and off-airport car rental services will nevertheless be taken into account in the competitive assessment, in particular when looking at closeness of competition.

²² Form CO, paragraph 235 and following.

²³ Replies to Questionnaire 1 to market participants, question 8.

²⁴ Replies to Questionnaire 1 to market participants, question 8.1.

²⁵ Replies to Questionnaire 1 to market participants, questions 5 and 5.1.

²⁶ Replies to Questionnaire 1 to market participants, question 10.

²⁷ For example, approximately [...] % of the Parties' reservations at airports are done online (Form CO, paragraph 239).

²⁸ See examples of screenshots provided by Europcar (Form CO, paragraph 240 and following).

3.1.6. Conclusion

- (37) In light of the above, for the purpose of this Decision, the Commission defines two relevant product markets, on which it will base its competitive assessment: (i) the overall market for the short-term passenger car rental services, (ii) the market for short-term car rental services to leisure customers only.²⁹

3.2. Geographic market definition

- (38) The Commission has considered in previous decisions that the market for short-term car rental services is national in scope.³⁰
- (39) Europcar submits that there is a strong local angle from the customers' perspective, since choice is heavily based on location, and to a certain extent price competition takes place at local level to a certain extent.³¹
- (40) In this context, and taking into consideration Goldcar's focus on leisure services provided at airports, the Commission has assessed whether the local dimension is relevant for the market of short-term car rental services.
- (41) The results of the market investigation tend to confirm the local features of the provision of short-term car rental services. In particular, the majority of car rental companies and brokers submit that customers do not consider car rental services offered at airports as interchangeable with car rental services offered downtown.³² Likewise, all the airport managers that participated in the market investigation confirm that the car rental services offered at airports are not interchangeable with the services offered downtown.³³
- (42) For the purpose of this Decision, the question of whether the geographic scope of the market for short-term car rental services is national or local can be left open, as the Transaction would not raise serious doubts as to its compatibility with the internal market under either plausible market definition.
- (43) The Commission will assess the effects of the Transaction on short-term car rental services at national level and at local level, the latter defined as services provided either (i) at the airport (including both on- and off-airport services), or (ii) downtown.³⁴

²⁹ The majority of the car rental operators and brokers does not deem relevant any further distinction between the different services offered by car rental operators (replies to Questionnaire 1 to market participants, question 12).

³⁰ See e.g. Case M.8309 – *Volvo Car Corporation/First Rent A Car*, paragraph 45; M.3090 – *Volkswagen/Offset/Crescent/LeasePlan/JV*, paragraph 12.

³¹ Form CO, paragraph 111.

³² Replies to Questionnaire 1 to market participants, questions 7 and 7.1. For instance: "*Most of the services offered at the airports are for inbound tourism whereas downtown is mainly for the domestic market. The needs of each market differ completely.*"

³³ Replies to Questionnaire 2 to airport managers, question 3.

³⁴ For the purpose of this Decision, car rental services offered at railway stations will be considered as downtown stations.

4. COMPETITION ASSESSMENT

- (44) Under Article 2(2) and (3) of the Merger Regulation, the Commission must assess whether a proposed concentration would significantly impede effective competition in the internal market or in a substantial part of it, in particular as a result of the creation or strengthening of a dominant position.
- (45) The assessment of the compatibility of the Transaction with the internal market will focus on the non-coordinated horizontal effects in the markets for short-term car rental services where the Parties' activities overlap, according to the framework set out in the Guidelines on the assessment of horizontal mergers under the Council Regulation on the control of concentrations between undertakings.³⁵
- (46) For that purpose, the Commission will first analyse the elements common to the different geographic markets (section 4.1), before providing an overview of the Parties' market shares (section 4.2) and a more detailed analysis of the national and local markets where the Parties are both active (section 4.3).
- (47) In addition, considering the level of concentration of certain local markets, the Commission will assess whether the Transaction is likely to give rise to coordinated effects (section 4.4).

4.1. Elements common to the assessment of the markets for the supply of short-term car rental services

- (48) Given the high number of markets impacted by the Transaction, certain elements which are common to all the markets are presented in the following sections 4.1.1 to 4.1.4. Those arguments apply to all markets assessed in section 4.3.

4.1.1. Market structure

- (49) Europcar considers that the relevant markets and segments are highly competitive.³⁶
- (50) According to respondents to the market investigation, the market for car rental services is dynamic and relatively fragmented in the Member States where the Parties' activities overlap (France, Italy, Portugal and Spain).
- (51) Generally, there are five large multi-national car rental companies that operate under well-established brands and through an extensive footprint of stations disseminated nation-wide.³⁷ These largest car rental companies in the EU not only service corporate customers, but also leisure travellers to a large extent,³⁸ either directly under their more recognisable brand or under subsidiary brands, under

³⁵ OJ C 31, 5.2.2004 (the "Horizontal Merger Guidelines"), paragraphs 24 to 38.

³⁶ Form CO, paragraph 205.

³⁷ The five largest car rental companies are Avis, Enterprise, Europcar, Hertz and Sixt.

³⁸ For example, Europcar generated 79% and 73% of its revenues from leisure customers in Portugal and Spain respectively in 2016 (Europcar's reply to RFI4, question 3).

which low cost offerings notably are marketed.³⁹ In some instances, these large car rental companies operate in a geographical area through franchisees.⁴⁰

- (52) In addition to these large multi-national car rental companies, there are currently other medium-size car rental operators operating national or regional networks of stations, which generate a sizable volume of sales.
- (53) Finally, there are also local car rental companies, which mostly service leisure customers traveling to touristic destinations. The volume of sales generated by these smaller players can however be rather significant in certain areas, such as in certain islands in Portugal and Spain.
- (54) The market investigation confirms that large companies like the Parties and smaller-scale car rental companies compete with each other. A majority of respondents to the market investigation consider that local and regional car rental companies exert a strong competitive pressure on national and international car rental companies, in particular in touristic areas where demand is mainly driven by price.⁴¹ They notably point to the fact that brokers increase the competitive pressure exerted by local or regional car rental companies on national or multi-national car rental companies.⁴²
- (55) In addition, the Commission notes that [...].⁴³
- (56) As a consequence, the Commission considers that local and regional car rental companies do exert a significant competitive constraint on the Parties in France, Italy, Portugal and Spain.

4.1.2. *Closeness of competition*

- (57) Europcar submits that the Parties are not close competitors because they compete for different segments. While Europcar is active in both the corporate and leisure segments (directly or through InterRent), Goldcar is a pure leisure player focusing mainly on airports.⁴⁴
- (58) According to respondents to the market investigation, short-term car rental services, more particularly their leisure segment, tend to be commoditised. The importance of price was underlined by car rental operators and brokers in the market investigation, since they both consider that the most important criterion

³⁹ For example, Enterprise caters for leisure customers through its subsidiary brand Alamo, while Avis does so with Maggiore; in addition Hertz offers value car rental services through its subsidiary brands Dollar and Thrifty, and low cost services through Firefly – Form CO, paragraph 71, in conjunction with the Competitive assessment submitted by the Parties to the Commission on 16 November 2016.

⁴⁰ [...] (Form CO, paragraph 193), the Commission considers that franchises should be treated as third parties for the purpose of this Decision. In any case, the question of franchises does not have any material impact on the competitive assessment, [...] (Form CO, paragraphs 194-195).

⁴¹ Replies to Questionnaire 1 to market participants, question 15; Questionnaire 2 to airport managers, question 9.

⁴² Replies to Questionnaire 1 to market participants, question 16.

⁴³ Form CO, Annex 41.

⁴⁴ Form CO, paragraph 18.

for customers in their choice of car rental is by far the price, while the brand of the car rental operator would play the least important role.⁴⁵ The hierarchy in these criteria was actually confirmed by the consumer associations that participated in the market investigation.⁴⁶

- (59) The Parties' competitors and airport managers that participated in the market investigation did not list Goldcar as a close competitor of Europcar in any of the Member States where the two Parties operate. They rather identify Avis, Enterprise, Hertz and Sixt as the closest competitors to Europcar.⁴⁷ Conversely, the respondents to the market investigation considered that a number of car rental companies, especially with their low cost brands, are close competitors of Goldcar, particularly in Portugal and Spain. Respondents for instance refer to (i) Avis' brand Maggiore, Europcar's brand InterRent, Centauro, Hertz, or Guerin⁴⁸ in Portugal, and (ii) Budget, Hertz's brands Dollar and Firefly, or Record Go (in Spain).⁴⁹
- (60) These responses to the market investigation are linked to the different positioning of the Europcar group as a multi-brand full-service provider, operating in the low cost segment through the InterRent brand, and of Goldcar as a pure low cost player. Goldcar and InterRent are thus perceived as addressing the specific needs and expectations of customers targeted by low cost services, while the Europcar group would rather focus value and premium services.⁵⁰
- (61) The different customers' needs and expectations addressed by the low cost brands Goldcar and InterRent against the value or premium brand Europcar are also reflected in the internal documents analysed by the Commission. In the M&A presentation to Europcar's Supervisory Board of 30 March 2017,⁵¹ it is stated that [...] (Slide 3). In the same presentation, and in the strategic analysis presented to the Supervisory Board of 22 May 2017,⁵² there are references to the operators positioned as low cost car rental suppliers [...]. Moreover, [...] according to the presentations to the Supervisory Board. Overall, Europcar does not appear to consider Goldcar as a close competitor according to these internal documents, but rather as a brand complementary to its current portfolio.
- (62) Given that Goldcar is only active in the leisure segment and is positioned as a low cost operator, compared to the full-range offering of Europcar, and that Europcar sees the acquisition of Goldcar as fulfilling a gap in its offering, the Commission

⁴⁵ Replies to Questionnaire 1 to market participants, question 5.

⁴⁶ Replies to Questionnaire 3 to customer associations, question 3.

⁴⁷ Replies to Questionnaire 1 to market participants, question 17.

⁴⁸ Guerin operates in Portugal through their own brands Guerin and Drive for less, as well as through an exclusive franchise agreement with Enterprise, including the brands National and Alamo – Replies to Questionnaire 1 to market participants, question 2.

⁴⁹ Replies to Questionnaire 1 to market participants, question 18.

⁵⁰ See section 3.1.4 for the definition of low cost, value and premium car rental services.

⁵¹ Form CO, Annex 14(b).

⁵² Form CO, Annex 14(e).

considers that Goldcar does not compete as closely against Europcar (as a whole) as other multi-brand actors, such as Hertz or Avis.

4.1.3. *The role of brokers*

- (63) A large share of leisure car rental services is distributed through internet aggregators or intermediaries (together "brokers").⁵³ Brokers can act as (i) agents of the car rental companies (receiving a commission), or as (ii) resellers that usually commit to purchase certain volumes from different car rental companies and then sell the product to the final customer, deciding on the rental price based on their capacity of purchase and sale.⁵⁴
- (64) Europcar submits that brokers compete directly against car rental operators in the market, at least for leisure customers.⁵⁵
- (65) In this regard, Europcar further submits that the use of technology and digitalisation has enabled leisure customers to easily compare online rental rates available from various car rental operators for any given product at any given location. Customers frequently use on-line price comparison engines and book car rental services through on-line brokers, which offer services at very competitive prices and drive price competition.⁵⁶
- (66) The majority of the car rental operators that participated in the market investigation submit that they distribute their services through at least one broker.⁵⁷ The features of their distribution agreements with brokers vary, but the market investigation shows that brokers work mostly as resellers, and they are capable of setting the final price to be paid by the customer to a large extent.
- (67) In their replies to the market investigation, the majority of car rental operators submitted that brokers compete head-to-head against them,⁵⁸ mostly because brokers acting as resellers can offer rates below the prices set by the pure car rental companies through their own direct distribution channels.
- (68) One competitor to the Parties noted that "*customers compare different available offers and normally choose the lowest price for the same product*", while another competitor added that "*internet aggregators can make pressure on car rental players pricing strategy thanks to their investment on the web as well as their popularity*".⁵⁹

⁵³ As a way of example, the revenue generated by Europcar and Goldcar through brokers was $\geq 40\%$ and $\geq 60\%$ respectively over their total revenues generated in 2016 (Form CO, Annex 34).

⁵⁴ Europcar and Goldcar's revenues generated through brokers were split [...] % and [...] % between the agent and reseller models respectively in 2016 (Form CO, Annex 34).

⁵⁵ Form CO, paragraph 11.

⁵⁶ Form CO, paragraph 9.

⁵⁷ Replies to Questionnaire 1 to market participants, question 13.

⁵⁸ Replies to Questionnaire 1 to market participants, question 14.

⁵⁹ Replies to Questionnaire 1 to market participants, question 14.1.

- (69) In addition, the majority of the car rental operators that participated in the market investigation submit that brokers have a significant negotiating power vis-à-vis car rental operators.⁶⁰ Indeed, both car rental operators and brokers note that brokers distributing significant volumes have a correspondingly high influence on the car rental market. Since an important volume of the car rental reservations is distributed through brokers (particularly for leisure customers), they can use their position in the market to negotiate lower prices and more advantageous conditions.⁶¹
- (70) With regard to the effects of the Transaction over the brokers' negotiating power, none of the car rental companies nor brokers that participated in the market investigation consider that the Transaction will decrease the negotiating power that brokers exert vis-à-vis the entity combining Europcar and Goldcar, or more generally vis-à-vis car rental companies.⁶²
- (71) As a result, even if brokers differ from car rental operators for not having a physical presence or a fleet of vehicles in the locations where they offer their services, brokers control a large share of the on-line distribution channel (particularly for leisure customers) and decide or influence the price paid by end customers. In addition, resellers possess a strong countervailing power over car rental operators.
- (72) Brokers therefore exercise a significant competitive constrain over car rental companies and are likely to continue exerting competitive pressure over the merged entity after the Transaction.

4.1.4. *Barriers to entry or expansion*

General

- (73) Europcar submits that barriers to enter (or expand within) the car rental markets are low.⁶³
- (74) First, Europcar submits that brokers lower barriers to entry and expansion (at least on the leisure segment) by (i) enabling new entrants to quickly get access to customers, (ii) enabling regional or local operators with limited physical presence to compete with national/multinational companies without incurring in significant marketing costs, and (iii) committing to purchase certain fleet volumes allowing car rental companies (especially local players) to manage their fleet exposure risk.⁶⁴

⁶⁰ Replies to Questionnaire 1 to market participants, question 25.

⁶¹ Replies to Questionnaire 1 to market participants, question 25.1.

⁶² Replies to Questionnaire 1 to market participants, question 26.

⁶³ Form CO, paragraph 17.

⁶⁴ Form CO, paragraph 15.

- (75) Second, Europcar submits that the constitution of a sizable fleet of vehicles is manageable from a financial perspective due to leasing or buy-back agreements.⁶⁵
- (76) The results of the market investigation support the influence of brokers over the barriers to enter the market. The majority of car rental operators and brokers that participated in the market investigation notably submit that brokers increase the competitive pressure exerted by local or regional car rental companies over national or international car rental companies.⁶⁶
- (77) In this respect, one competitor to the Parties noted that "*brokers increase the competitive pressure exerted by local/regional car rental companies on national/international companies as they display these companies on their websites alongside the national/ international companies leading to increased competition on pricing*". The same competitor added that "*[i]n Southern Europe in particular this is even more the case as the brokers are the main distribution channel for the locals and have high market share of this business*".⁶⁷
- (78) Along the same line, another respondent submitted that "*[b]rokers provide a way for customers (particularly from foreign countries where local and regional car hire brands may not be well known) to find local and regional companies, understand their product and prices and book them in a safe and reliable environment. This lowers barriers to entry or to compete for such companies, increasing competitive pressure*".⁶⁸
- (79) With regard to the difficulty to constitute a sizable fleet of vehicles, respondents to the market investigation do not fully concur with Europcar's arguments. The main barrier to enter the market for car rental services would be the financial investment required to acquire a proper vehicle fleet.⁶⁹
- (80) However, the Commission notes that, as far as the leisure segment is concerned, new entrants would not be confronted to the barrier to entry constituted by brand loyalty. Indeed, according to Europcar, transactions on the leisure segment are [...].⁷⁰
- (81) As regards the effects of the Transaction on the barriers to enter or expand in the provision of car rental services to leisure customers, the market investigation yielded mixed results. The Parties' competitors submitted that the effects of the Transaction over the barriers to entry will mostly depend on the strategy of the merged entity to consolidate its operations. One competitor noted that any cost

⁶⁵ Form CO, paragraph 17. Buy-back agreements include a commitment by the car manufacturer to buy-back the vehicles at a pre-agreed repurchase price; as opposed to the purchase of vehicles "at risk", by which car rental operators purchase cars to manufacturers without a buy-back commitment.

⁶⁶ Replies to Questionnaire 1 to market participants, question 16.

⁶⁷ Replies to Questionnaire 1 to market participants, question 16.1.

⁶⁸ Replies to Questionnaire 1 to market participants, question 16.1.

⁶⁹ Replies to Questionnaire 1 to market participants, question 19.

⁷⁰ For instance, less than [...] % of Europcar's leisure customers in Spain in 2016 were also customers in the previous year – Competitive assessment submitted by the Parties to the Commission on 16 November 2016.

saving in the management of the merged entity's fleet might translate in a drop of the price paid by customers.⁷¹

Specific barriers to entry or expansion at airports

- (82) In order to offer their services within the airport terminal (on-airport), car rental companies need to enter into a concession agreement with the airport manager. Airport managers generally launch competitive tender procedures for the commercial exploitation of car rental services within their premises, and grant licenses or concessions to the car rental operators fulfilling some minimum requirements and offering the most economically advantageous conditions to the airport manager. Once the airport operator grants a licence to a car rental operator, and according to the terms of the concession agreement, on-airport operators have to pay the airport manager (i) a fixed amount to the airport manager for the commercial exploitation of a retail space or counter and a parking area, plus (ii) a variable amount for a value that depends on the turnover generated from the car rental activities.
- (83) Europcar submits that car rental companies can operate at an airport without holding a concession, from counters and parking slots located outside the airport facilities, or alternatively they can make use of additional rear parking space at a short distance from the airport main parking spaces.⁷²
- (84) Respondents to the market investigation indicate that barriers start offering car rental services on-airport are higher than at other locations, since airport managers generally grant licenses to operate on-airport through competitive public tenders that might take place every few years.⁷³ In addition, once a car rental operator enters into a licence agreement with an airport manager, it has to commit to pay the operational fees agreed upon, including any fixed remuneration.
- (85) With regard to the time it actually takes to enter into operations in an airport, the Parties' competitors note some differences between the different countries where the Parties overlap, most notably related to the tender procedure and criteria followed by the airport managers. Nevertheless, the majority of the competitors that participated in the market investigation state that the time between the business decision to enter an airport and the moment they would be available to offer car rental services to leisure customers would take between a few days and one year on average.⁷⁴
- (86) The market investigation further confirms that, in the case of car rental stations located off-airport or downtown, there is no such burden to obtain a license and pay operational fees to the airport manager, and therefore the barriers to enter car rental operations are lower.

⁷¹ Replies to Questionnaire to market participants, question 19.1.

⁷² Form CO, paragraph 17.

⁷³ Replies to Questionnaire 1 to market participants, question 19. A detailed description of on-airport and off-airport operation is included in section 3.1.5.

⁷⁴ Replies to Questionnaire 1 to market participants, question 22.

- (87) Moreover, over the last two years, a number of new suppliers have entered into operations at some of the airports where the two Parties offer their car rental services. New entrants operate either on-airport through an agreement with the airport managers, or off-airport from counters located in the vicinity of the airport's terminal.
- (88) With regard to the possibility for existing car rental operators to expand their activities on-airport by using rear parking space located outside the airport premises, the market investigation did not produce conclusive results, since it mostly depends on the availability of land in the vicinity of a given airport.⁷⁵

The specific case of on-airport car rental services in Spain

- (89) In Spain, where Goldcar is mostly active,⁷⁶ all airports in which the Parties overlap are managed by AENA, S.A., which recently organised a competitive public tender procedure and granted new lease contracts to operate car rental services in its airports as from October 2016 for the period 2016-2022.⁷⁷
- (90) However, AENA submits that there remains available car rental space in all the airports where the Parties' activities overlap, except in Tenerife South.⁷⁸ Therefore, any extra demand to operate on-airport car rental services may still be granted to a new operator through a complementary tender, as long as the new entrant accepts to pay the maximum fee paid by the operators currently present at a given airport (i.e. the new entrant must align its offer with the highest bid received during the 2016 tender).
- (91) For instance, at Girona and Jerez airports, Goldcar resumed operations in June 2017, after having exited in October 2016 for not having bid for operating in these airports.⁷⁹

Conclusion

- (92) Overall, given that brokers increase the competitive pressure exerted by local and regional car rental companies, the fact that the main barrier to enter the market is the constitution of a sizable fleet of vehicles, the limited period of time it takes to enter into car rental operations, and the large availability of commercial space at most overlapping airports (either on-airport or off-airport), low barriers to entry and expansion would be present within the market for the provision of car rental services.

⁷⁵ Replies to Questionnaire 1 to market participants, question 23.

⁷⁶ Goldcar generated more than [...] of its 2016 total turnover in Spain – Form CO, Table 4.

⁷⁷ The lease contracts granted by AENA for the period 2016-2022 can be renewed for two additional periods of 2 years – See agreed non-confidential minutes with AENA of 17 October 2017, paragraphs 3 and 4.

⁷⁸ See agreed non-confidential minutes with AENA of 17 October 2017, paragraph 12.

⁷⁹ See agreed non-confidential minutes with AENA of 17 October 2017, paragraph 12.

4.2. Overview of the Parties' market shares

4.2.1. Methodology for estimating market shares at local and national levels

- (93) Europcar has provided an estimate of their competitors' market shares at local level based on an approximation of the number of cars and of the revenue generated per car by each of their competitors at their rental stations. Given the reduced visibility of the Parties over their competitors' complete fleet and revenue at local level, however, the methodology used by Europcar to estimate local market shares does not appear to be fully reliable.
- (94) The Commission has therefore undertaken a market reconstruction exercise to obtain a more precise overview of the competitive landscape at local level. Within the frame of the market investigation, the Commission has asked the Parties and their competitors for the revenues generated during 2016 from short-term car rental services at all the stations located where the Parties' activities overlap.⁸⁰
- (95) In addition, airport managers have also provided the revenue reported by the car rental companies operating on-airport within their premises, which has allowed the Commission to verify and complement where necessary the data reported by car rental operators.
- (96) Since the Commission could not gather turnover data from the entirety of the competitors present at each location (particularly from small local or regional players offering car rental services off-airport or downtown), the market reconstruction exercise provides a reliable, yet conservative value of the Parties' combined shares at local level, both at the airports (including off-airport locations) and at the downtown locations where their activities overlap.
- (97) At national level, the market shares reported by Europcar in the Form CO are more reliable for being based on its competitors' audited annual accounts, data from national car rental industry associations and publicly available information (such as press releases or communications to shareholders).

4.2.2. Overlapping markets

- (98) The Parties' combined market shares in all of the overlapping markets are listed in Table 1 below. These market shares have been computed by the Commission on the basis of confidential turnover data provided by the Parties' competitors and airport managers under the condition that only the Parties' combined market shares would be displayed in ranges of 25%.⁸¹

⁸⁰ In order to ensure the coherence of the data computed, the Commission has collected net turnover data, – i.e. total sales after deduction of VAT.

⁸¹ Considering that the turnover of competitors, hence the total market size, are confidential vis-à-vis the Parties, the use of ranges for the Parties' combined market shares is necessary to respect the confidentiality claims of participants to the market reconstruction exercise.

Table 1: Overlapping markets by type of services and location (2016)⁸²

Overlapping market	Combined market share (%)	
	Short-term car rental services	Short-term leisure car rental services
France (national)	< 20%	< 20%
Bordeaux airport	[25-50]%	[25-50]%
Marseille airport	[25-50]%	[25-50]%
Nice airport	[25-50]%	[25-50]%
Toulouse airport	[25-50]%	[25-50]%
Italy (national)	[20-30]%	< 20%
Bari airport	[0-25]%	[25-50]%
Bergamo airport	[0-25]%	[25-50]%
Bologna airport	[25-50]%	[25-50]%
Brindisi airport	[0-25]%	[25-50]%
Cagliari airport	[25-50]%	[25-50]%
Catania airport	[25-50]%	[25-50]%
Florence airport	[0-25]%	[0-25]%
Lamezia Terme airport	[0-25]%	[25-50]%
Milan Linate airport	[0-25]%	[0-25]%
Milan Malpensa airport	[0-25]%	[25-50]%
Olbia airport	[25-50]%	[25-50]%
Palermo airport	[0-25]%	[25-50]%
Pisa airport	[25-50]%	[25-50]%
Rome Ciampino airport	[0-25]%	[25-50]%
Rome Fiumicino airport	[0-25]%	[25-50]%
Trapani airport	[0-25]%	[0-25]%
Treviso airport	[0-25]%	[25-50]%
Venice airport	[0-25]%	[0-25]%
Verona airport	[0-25]%	[25-50]%
Portugal (national)	[20-30]%	[20-30]%
Faro airport	[25-50]%	[25-50]%
Lisbon airport	[25-50]%	[25-50]%
Madeira airport	[25-50]%	[25-50]%
Ponta Delgada airport	[0-25]%	[0-25]%
Porto airport	[25-50]%	[25-50]%
Spain (national)	[20-30]%	[20-30]%
Alicante airport	[25-50]%	[25-50]%
Alicante downtown	[25-50]%	[25-50]%

⁸² The value of the national market shares was provided by Europcar in the Form CO. The value of the local market shares was computed by the Commission on the basis of the turnover data gathered in the frame of the market investigation. The same applies to all the tables in section 4.3 below.

Almeria airport	[50-75]%	[75-100]%
Asturias airport	[25-50]%	[25-50]%
Barcelona airport	[25-50]%	[25-50]%
Barcelona downtown	[0-25]%	[0-25]%
Benidorm downtown	[0-25]%	[0-25]%
Bilbao airport	[25-50]%	[25-50]%
Fuerteventura airport	[0-25]%	[0-25]%
Girona airport	[50-75]%	[50-75]%
Gran Canaria airport	[25-50]%	[25-50]%
Granada airport	[25-50]%	[50-75]%
Ibiza airport	[25-50]%	[25-50]%
Jerez airport	[25-50]%	[25-50]%
La Linea downtown	[25-50]%	[25-50]%
Lanzarote airport	[0-25]%	[0-25]%
Madrid airport	[25-50]%	[25-50]%
Madrid downtown	[0-25]%	[0-25]%
Malaga airport	[25-50]%	[25-50]%
Malaga downtown	[25-50]%	[25-50]%
Mallorca downtown	[0-25]%	[0-25]%
Menorca airport	[25-50]%	[0-25]%
Murcia airport	[25-50]%	[25-50]%
Palma de Mallorca airport	[25-50]%	[25-50]%
Reus airport	[50-75]%	[50-75]%
Sancti Petri downtown	[50-75]%	[50-75]%
Santander airport	[25-50]%	[25-50]%
Santiago airport	[25-50]%	[25-50]%
Seville airport	[25-50]%	[25-50]%
Seville downtown	[25-50]%	[25-50]%
Tenerife North airport	[25-50]%	[0-25]%
Tenerife South airport	[25-50]%	[25-50]%
Valencia airport	[25-50]%	[25-50]%
Valencia downtown	[0-25]%	[0-25]%

- (99) A detailed competitive assessment market is provided in the market-specific section below.
- (100) The Commission will assess each market according to the Parties' combined market share range in the table above, considering that, according to the Horizontal Merger Guidelines, concentrations where the market share of the

undertakings concerned does not exceed 25% are not liable to impede effective competition.⁸³

4.3. Market-specific analysis

4.3.1. France

4.3.1.1. At national level

Table 2 - Overlaps in France

Overlapping market	Combined market share (%)	
	Short-term car rental services	Short-term leisure car rental services
France	< 20%	< 20%

- (101) The Transaction does not give rise to an affected market in France, since the Parties' combined market shares would remain below 20% at national level.
- (102) Therefore, the Commission considers that the Transaction does not raise serious doubts as concerns the market for short-term car rental services in France, under any plausible segmentation.

4.3.1.2. Bordeaux airport

Table 3 - Overlaps at Bordeaux airport

Overlapping market	Combined market share (%)	
	Short-term car rental services	Short-term leisure car rental services
Bordeaux Airport	[25-50]%	[25-50]%

- (103) The market share of the merged entity on the market for short-term car rental services would reach [25-50]%. On a plausible narrower market for short-term leisure car rental services, the combined market share of the merged entity would be [25-50]%.
 (104) Significant competitors such as Avis, Hertz or Sixt are active in the market for short-term car rental services and short-term leisure car rental services at Bordeaux airport.⁸⁴
 (105) Moreover no respondent to the market investigation raised any material concern as to the effect of the Transaction at Bordeaux airport.⁸⁵

⁸³ Horizontal Merger Guidelines, paragraph 18.

⁸⁴ Form CO, Annex 27; and replies to Questionnaire 1 to market participants, question 4.2.

⁸⁵ Replies to Questionnaire 1 to market participants, question 29.2; replies to Questionnaire 2 to airport managers, questions 15 and 18; and replies to Questionnaire 3 to customer associations, question 18.

- (106) Overall, given the market shares of the Parties, the presence of significant competitors and the fact that no material concern was expressed during the market investigation, the Commission considers that the Transaction is unlikely to lead to any significant competition concerns for the market for short-term car rental services at Bordeaux airport, under any plausible segmentation.

Conclusion

- (107) In view of the above, and considering all evidence available to the Commission, the Transaction does not raise serious doubts as concerns the market for short-term car rental services at Bordeaux airport, under any plausible segmentation.

4.3.1.3. Marseille airport

Table 4 - Overlaps at Marseille airport

Overlapping market	Combined market share (%)	
	Short-term car rental services	Short-term leisure car rental services
Marseille Airport	[25-50]%	[25-50]%

- (108) The market share of the merged entity on the market for short-term car rental services would reach [25-50]%. On a plausible narrower market for short-term leisure car rental services, the combined market share of the merged entity would be [25-50]%.
 (109) Significant competitors such as Avis, Hertz or Sixt are active in the market for short-term car rental services and short-term leisure car rental services at Marseille airport.⁸⁶
 (110) Moreover no respondent to the market investigation raised any material concern as to the effect of the Transaction at Marseille airport.⁸⁷
 (111) Overall, given the market shares of the Parties, the presence of significant competitors and the fact that no material concern was expressed during the market investigation, the Commission considers that the Transaction is unlikely to lead to any significant competition concerns for the market for short-term car rental services at Marseille airport, under any plausible segmentation.

Conclusion

- (112) In view of the above, and considering all evidence available to the Commission, the Transaction does not raise serious doubts as concerns the market for short-term car rental services at Marseille airport, under any plausible segmentation.

⁸⁶ Form CO, Annex 27; replies to Questionnaire 1 to market participants, question 4.2.

⁸⁷ Replies to Questionnaire 1 to market participants, question 29.2; replies to Questionnaire 2 to airport managers, questions 15 and 18; and replies to Questionnaire 3 to customer associations, question 18.

4.3.1.4. Nice airport

Table 5 - Overlaps at Nice airport

Overlapping market	Combined market share (%)	
	Short-term car rental services	Short-term leisure car rental services
Nice Airport	[25-50]%	[25-50]%

- (113) The market share of the merged entity on the market for short-term car rental services would reach [25-50]%. On a plausible narrower market for short-term leisure car rental services, the combined market share of the merged entity would be [25-50]%.
- (114) Significant competitors such as Avis, Hertz or Sixt are active in the market for short-term car rental services and short-term leisure car rental services at Nice airport.⁸⁸
- (115) Moreover no respondent to the market investigation raised any material concern as to the effect of the Transaction at Nice airport.⁸⁹
- (116) Overall, given the market shares of the Parties, the presence of significant competitors and the fact that no material concern was expressed during the market investigation, the Commission considers that the Transaction is unlikely to lead to any significant competition concerns for the market for short-term car rental services at Nice airport, under any plausible segmentation.

Conclusion

- (117) In view of the above, and considering all evidence available to the Commission, the Transaction does not raise serious doubts as concerns the market for short-term car rental services at Nice airport, under any plausible segmentation.

4.3.1.5. Toulouse airport

Table 6 - Overlaps at Toulouse airport

Overlapping market	Combined market share (%)	
	Short-term car rental services	Short-term leisure car rental services
Toulouse Airport	[25-50]%	[25-50]%

- (118) The market share of the merged entity on the market for short-term car rental services would reach [25-50]%. On a plausible narrower market for short-term leisure car rental services, the combined market share of the merged entity would be [25-50]%.

⁸⁸ Form CO, Annex 27; replies to Questionnaire 1 to market participants, question 4.2.

⁸⁹ Replies to Questionnaire 1 to market participants, question 29.2; replies to Questionnaire 2 to airport managers, questions 15 and 18; and replies to Questionnaire 3 to customer associations, question 18.

- (119) Significant competitors such as Avis, Hertz or Sixt are active in the market for short-term car rental services and short-term leisure car rental services at Toulouse airport.⁹⁰
- (120) Moreover no respondent to the market investigation raised any material concern as to the effect of the Transaction at Toulouse airport.⁹¹
- (121) Overall, given the market shares of the Parties, the presence of significant competitors and the fact that no material concern was expressed during the market investigation, the Commission considers that the Transaction is unlikely to lead to any significant competition concerns for the market for short-term car rental services at Toulouse airport, under any plausible segmentation.

Conclusion

- (122) In view of the above, and considering all evidence available to the Commission, the Transaction does not raise serious doubts as concerns the market for short-term car rental services at Toulouse airport, under any plausible segmentation.

4.3.2. *Italy*

4.3.2.1. At national level

Table 7 - Overlaps in Italy

Overlapping market	Combined market share (%)	
	Short-term car rental services	Short-term leisure car rental services
Italy	[20-30]%	< 20%

- (123) The market shares of the merged entity on the market for short-term car rental services would remain limited at [20-30]%. The plausible narrower market for short-term leisure car rental services would not be affected.
- (124) Significant competitors such as Avis, Hertz, Locauto or Sicily by Car are active in the market for short-term car rental services at national level in Italy.⁹²
- (125) In addition, a majority of the respondents to the market investigation submitted that there will be sufficient competition post-transaction in Italy to prevent the merged entity from raising prices.⁹³
- (126) Moreover no respondent to the market investigation raised any material concern as to the effect of the Transaction in Italy.⁹⁴

⁹⁰ Form CO, Annex 27; replies to Questionnaire 1 to market participants, question 4.3.

⁹¹ Replies to Questionnaires to market participants, question 29.2; replies to Questionnaire 2 to airport managers, questions 15 and 18; and replies to Questionnaire 3 to customer associations, question 18.

⁹² Form CO, Annex 27; and replies to Questionnaire 1 to market participants, question 4.5 and/or to a Request for Information by the Commission.

⁹³ Replies to Questionnaire 1 to market participants, question 28; replies to Questionnaire 2 to airport managers, question 16; and replies to Questionnaire 3 to customer associations, question 16.

(127) Overall, given the limited market shares of the Parties, the presence of significant competitors, the fact that the Parties' competitors expect sufficient competition to prevent the merged entity from raising prices, and the fact that no material concern was expressed during the market investigation, the Commission considers that the Transaction is unlikely to lead to any significant competition concerns for the market for short-term car rental services in Italy, under any plausible segmentation.

Conclusion

(128) In view of the above, and considering all evidence available to the Commission, the Transaction does not raise serious doubts as concerns the market for short-term car rental services in Italy, under any plausible segmentation.

4.3.2.2. Bari airport

Table 8 - Overlaps at Bari airport

Overlapping market	Combined market share (%)	
	Short-term car rental services	Short-term leisure car rental services
Bari airport	[0-25]%	[25-50]%

(129) The market share of the merged entity on the market for short-term car rental services would reach [0-25]%. On a plausible narrower market for short-term leisure car rental services, the combined market share of the merged entity would be [25-50]%.

(130) Significant competitors such as Avis, Hertz or Sicily by Car are active in the market for short-term car rental services and short-term leisure car rental services at Bari airport.⁹⁵

(131) In addition, a majority of the respondents to the market investigation submitted that there will be sufficient competition post-transaction at Bari airport to prevent the merged entity from raising prices.⁹⁶

(132) Moreover no respondent to the market investigation raised any material concern as to the effect of the Transaction at Bari airport.⁹⁷

(133) Overall, given the market shares of the Parties, the presence of significant competitors, the fact that the Parties' competitors expect sufficient competition to prevent the merged entity from raising prices, and the fact that no material

⁹⁴ Replies to Questionnaire 1 to market participants, question 29.2; replies to Questionnaire 2 to airport managers, questions 15 and 18; and replies to Questionnaire 3 to customer associations, question 18.

⁹⁵ Form CO, Annex 27; replies to Questionnaire 1 to market participants, question 4.3.

⁹⁶ Replies to Questionnaire 1 to market participants, question 28; replies to Questionnaire 2 to airport managers, question 16; and replies to Questionnaire 3 to customer associations, question 16.

⁹⁷ Replies to Questionnaire 1 to market participants, question 29; replies to Questionnaire 2 to airport managers, questions 15 and 17; and replies to Questionnaire 3 to customer associations, question 17.

concern was expressed during the market investigation, the Commission considers that the Transaction is unlikely to lead to any significant competition concerns for the market for short-term car rental services at Bari airport, under any plausible segmentation.

Conclusion

- (134) In view of the above, and considering all evidence available to the Commission, the Transaction does not raise serious doubts as concerns the market for short-term car rental services at Bari airport, under any plausible segmentation.

4.3.2.3. Bergamo airport

Table 9 - Overlaps at Bergamo airport

Overlapping market	Combined market share (%)	
	Short-term car rental services	Short-term leisure car rental services
Bergamo airport	[0-25]%	[25-50]%

- (135) The market share of the merged entity on the market for short-term car rental services would reach [0-25]%. On a plausible narrower market for short-term leisure car rental services, the combined market share of the merged entity would be [25-50]%.
(136) Significant competitors such as Avis, Hertz or Sicily by Car are active in the market for short-term car rental services and short-term leisure car rental services at Bergamo airport.⁹⁸
(137) Moreover no respondent to the market investigation raised any material concern as to the effect of the Transaction at Bergamo airport.⁹⁹
(138) Overall, given the market shares of the Parties, the presence of significant competitors and the fact that no material concern was expressed during the market investigation, the Commission considers that the Transaction is unlikely to lead to any significant competition concerns for the market for short-term car rental services at Bergamo airport, under any plausible segmentation.

Conclusion

- (139) In view of the above, and considering all evidence available to the Commission, the Transaction does not raise serious doubts as concerns the market for short-term car rental services at Bergamo airport, under any plausible segmentation.

⁹⁸ Form CO, Annex 27; replies to Questionnaire 1 to market participants, question 4.3.

⁹⁹ Replies to Questionnaire 1 to market participants, question 29.2; replies to Questionnaire 2 to airport managers, questions 15 and 18; and replies to Questionnaire 3 to customer associations, question 18.

4.3.2.4. Bologna airport

Table 10 - Overlaps at Bologna airport

Overlapping market	Combined market share (%)	
	Short-term car rental services	Short-term leisure car rental services
Bologna airport	[25-50]%	[25-50]%

- (140) The market share of the merged entity on the market for short-term car rental services would reach [25-50]%. On a plausible narrower market for short-term leisure car rental services, the combined market share of the merged entity would be [25-50]%.
- (141) Significant competitors such as Avis, Hertz, Locauto, Sicily by Car or WinRent are active in the market for short-term car rental services and short-term leisure car rental services at Bologna airport.¹⁰⁰
- (142) Moreover no respondent to the market investigation raised any material concern as to the effect of the Transaction at Bologna airport.¹⁰¹
- (143) Overall, given the market shares of the Parties, the presence of significant competitors and the fact that no material concern was expressed during the market investigation, the Commission considers that the Transaction is unlikely to lead to any significant competition concerns for the market for short-term car rental services at Bologna airport, under any plausible segmentation.

Conclusion

- (144) In view of the above, and considering all evidence available to the Commission, the Transaction does not raise serious doubts as concerns the market for short-term car rental services at Bologna airport, under any plausible segmentation.

4.3.2.5. Brindisi airport

Table 11 - Overlaps at Brindisi airport

Overlapping market	Combined market share (%)	
	Short-term car rental services	Short-term leisure car rental services
Brindisi airport	[0-25]%	[25-50]%

- (145) The market share of the merged entity on the market for short-term car rental services would reach [0-25]%. On a plausible narrower market for short-term

¹⁰⁰ Form CO, Annex 27; replies to Questionnaire 1 to market participants, question 4.3.

¹⁰¹ Replies to Questionnaire 1 to market participants, question 29.2; replies to Questionnaire 2 to airport managers, questions 15 and 18; and replies to Questionnaire 3 to customer associations, question 18.

leisure car rental services, the combined market share of the merged entity would be [25-50]%.

- (146) Significant competitors such as Avis, Hertz, Locauto or Sicily by Car are active in the market for short-term car rental services and short-term leisure car rental services at Brindisi airport.¹⁰²
- (147) In addition, a majority of the respondents to the market investigation submitted that there will be sufficient competition post-transaction at Brindisi airport to prevent the merged entity from raising prices.¹⁰³
- (148) Moreover no respondent to the market investigation raised any material concern as to the effect of the Transaction at Brindisi airport.¹⁰⁴
- (149) Overall, given the market shares of the Parties, the presence of significant competitors, the fact that the Parties' competitors expect sufficient competition to prevent the merged entity from raising prices, and the fact that no material concern was expressed during the market investigation, the Commission considers that the Transaction is unlikely to lead to any significant competition concerns for the market for short-term car rental services at Brindisi airport, under any plausible segmentation.

Conclusion

- (150) In view of the above, and considering all evidence available to the Commission, the Transaction does not raise serious doubts as concerns the market for short-term car rental services at Brindisi airport, under any plausible segmentation.

4.3.2.6. Cagliari airport

Table 12 - Overlaps at Cagliari airport

Overlapping market	Combined market share (%)	
	Short-term car rental services	Short-term leisure car rental services
Cagliari airport	[25-50]%	[25-50]%

- (151) The market share of the merged entity on the market for short-term car rental services would reach [25-50]%. On a plausible narrower market for short-term leisure car rental services, the combined market share of the merged entity would be [25-50]%.

¹⁰² Form CO, Annex 27; replies to Questionnaire 1 to market participants, question 4.3.

¹⁰³ Replies to Questionnaire 1 to market participants, question 28; replies to Questionnaire 2 to airport managers, question 16; and replies to Questionnaire 3 to customer associations, question 16.

¹⁰⁴ Replies to Questionnaire 1 to market participants, question 29; replies to Questionnaire 2 to airport managers, questions 15 and 17; and replies to Questionnaire 3 to customer associations, question 17.

- (152) Significant competitors such as Avis, Hertz, Locauto or Sicily by Car are active in the market for short-term car rental services and short-term leisure car rental services at Cagliari airport.¹⁰⁵
- (153) Moreover no respondent to the market investigation raised any material concern as to the effect of the Transaction at Cagliari airport.¹⁰⁶
- (154) Overall, given the market shares of the Parties, the presence of significant competitors and the fact that no material concern was expressed during the market investigation, the Commission considers that the Transaction is unlikely to lead to any significant competition concerns for the market for short-term car rental services at Cagliari airport, under any plausible segmentation.

Conclusion

- (155) In view of the above, and considering all evidence available to the Commission, the Transaction does not raise serious doubts as concerns the market for short-term car rental services at Cagliari airport, under any plausible segmentation.

4.3.2.7. Catania airport

Table 13 - Overlaps at Catania airport

Overlapping market	Combined market share (%)	
	Short-term car rental services	Short-term leisure car rental services
Catania airport	[25-50]%	[25-50]%

- (156) The market share of the merged entity on the market for short-term car rental services would reach [25-50]%. On a plausible narrower market for short-term leisure car rental services, the combined market share of the merged entity would be [25-50]%.¹⁰⁵
- (157) Significant competitors such as Avis, Hertz, Locauto or Sicily by Car are active in the market for short-term car rental services and short-term leisure car rental services at Catania airport.¹⁰⁷
- (158) In addition, a majority of the respondents to the market investigation submitted that there will be sufficient competition post-transaction at Catania airport to prevent the merged entity from raising prices.¹⁰⁸
- (159) Moreover no respondent to the market investigation raised any material concern as to the effect of the Transaction at Catania airport.¹⁰⁹

¹⁰⁵ Form CO, Annex 27; replies to Questionnaire 1 to market participants, question 4.3.

¹⁰⁶ Replies to Questionnaire 1 to market participants, question 29.2; replies to Questionnaire 2 to airport managers, questions 15 and 18; and replies to Questionnaire 3 to customer associations, question 18.

¹⁰⁷ Form CO, Annex 27; replies to Questionnaire 1 to market participants, question 4.3.

¹⁰⁸ Replies to Questionnaire 1 to market participants, question 28; replies to Questionnaire 2 to airport managers, question 16; and replies to Questionnaire 3 to customer associations, question 16.

(160) Overall, given the market shares of the Parties, the presence of significant competitors, the fact that the Parties' competitors expect sufficient competition to prevent the merged entity from raising prices, and the fact that no material concern was expressed during the market investigation, the Commission considers that the Transaction is unlikely to lead to any significant competition concerns for the market for short-term car rental services at Catania airport, under any plausible segmentation.

Conclusion

(161) In view of the above, and considering all evidence available to the Commission, the Transaction does not raise serious doubts as concerns the market for short-term car rental services at Catania airport, under any plausible segmentation.

4.3.2.8. Florence airport

Table 14 - Overlaps at Florence airport

Overlapping market	Combined market share (%)	
	Short-term car rental services	Short-term leisure car rental services
Florence airport	[0-25]%	[0-25]%

(162) The market share of the merged entity on the market for short-term car rental services would reach [0-25]%. On a plausible narrower market for short-term leisure car rental services, the combined market share of the merged entity would be [0-25]%.

(163) Significant competitors such as Avis, Hertz, Locauto or WinRent are active in the market for short-term car rental services and short-term leisure car rental services at Florence airport.¹¹⁰

(164) In addition, a majority of the respondents to the market investigation submitted that there will be sufficient competition post-transaction at Florence airport to prevent the merged entity from raising prices.¹¹¹

(165) Moreover no respondent to the market investigation raised any material concern as to the effect of the Transaction at Florence airport.¹¹²

(166) Overall, given the market shares of the Parties, the presence of significant competitors, the fact that the Parties' competitors expect sufficient competition to prevent the merged entity from raising prices, and the fact that no material

¹⁰⁹ Replies to Questionnaire 1 to market participants, question 29; replies to Questionnaire 2 to airport managers, questions 15 and 17; and replies to Questionnaire 3 to customer associations, question 17.

¹¹⁰ Form CO, Annex 27; replies to Questionnaire 1 to market participants, question 4.3.

¹¹¹ Replies to Questionnaire 1 to market participants, question 28; replies to Questionnaire 2 to airport managers, question 16; and replies to Questionnaire 3 to customer associations, question 16.

¹¹² Replies to Questionnaire 1 to market participants, question 29; replies to Questionnaire 2 to airport managers, questions 15 and 17; and replies to Questionnaire 3 to customer associations, question 17.

concern was expressed during the market investigation, the Commission considers that the Transaction is unlikely to lead to any significant competition concerns for the market for short-term car rental services at Florence airport, under any plausible segmentation.

Conclusion

- (167) In view of the above, and considering all evidence available to the Commission, the Transaction does not raise serious doubts as concerns the market for short-term car rental services at Florence airport, under any plausible segmentation.

4.3.2.9. Lamezia Terme airport

Table 15 - Overlaps at Lamezia Terme airport

Overlapping market	Combined market share (%)	
	Short-term car rental services	Short-term leisure car rental services
Lamezia Terme airport	[0-25]%	[25-50]%

- (168) The market share of the merged entity on the market for short-term car rental services would reach [0-25]%. On a plausible narrower market for short-term leisure car rental services, the combined market share of the merged entity would be [25-50]%.
 (169) Significant competitors such as Avis, Hertz, Locauto, Sicily by Car or WinRent are active in the market for short-term car rental services and short-term leisure car rental services at Lamezia Terme airport.¹¹³
 (170) Moreover no respondent to the market investigation raised any material concern as to the effect of the Transaction at Lamezia Terme airport.¹¹⁴
 (171) Overall, given the market shares of the Parties, the presence of significant competitors, and the fact that no material concern was expressed during the market investigation, the Commission considers that the Transaction is unlikely to lead to any significant competition concerns for the market for short-term car rental services at Lamezia Terme airport, under any plausible segmentation.

Conclusion

- (172) In view of the above, and considering all evidence available to the Commission, the Transaction does not raise serious doubts as concerns the market for short-term car rental services at Lamezia Terme airport, under any plausible segmentation.

¹¹³ Form CO, Annex 27; replies to Questionnaire 1 to market participants, question 4.3.

¹¹⁴ Replies to Questionnaire 1 to market participants, question 29.2; replies to Questionnaire 2 to airport managers, questions 15 and 18; and replies to Questionnaire 3 to customer associations, question 18.

4.3.2.10. Milan Linate airport

Table 16 - Overlaps at Milan Linate airport

Overlapping market	Combined market share (%)	
	Short-term car rental services	Short-term leisure car rental services
Milan Linate airport	[0-25]%	[0-25]%

- (173) The market share of the merged entity on the market for short-term car rental services would reach [0-25]%. On a plausible narrower market for short-term leisure car rental services, the combined market share of the merged entity would be [0-25]%.
 (174) Significant competitors such as Avis, Hertz, Locauto or Sicily by Car are active in the market for short-term car rental services and short-term leisure car rental services at Milan Linate airport.¹¹⁵
 (175) Moreover no respondent to the market investigation raised any material concern as to the effect of the Transaction at Milan Linate airport.¹¹⁶
 (176) Overall, given the market shares of the Parties, the presence of significant competitors and the fact that no material concern was expressed during the market investigation, the Commission considers that the Transaction is unlikely to lead to any significant competition concerns for the market for short-term car rental services at Milan Linate airport, under any plausible segmentation.

Conclusion

- (177) In view of the above, and considering all evidence available to the Commission, the Transaction does not raise serious doubts as concerns the market for short-term car rental services at Milan Linate airport, under any plausible segmentation.

4.3.2.11. Milan Malpensa airport

Table 17 - Overlaps at Milan Malpensa airport

Overlapping market	Combined market share (%)	
	Short-term car rental services	Short-term leisure car rental services
Milan Malpensa airport	[0-25]%	[25-50]%

- (178) The market share of the merged entity on the market for short-term car rental services would reach [0-25]%. On a plausible narrower market for short-term

¹¹⁵ Form CO, Annex 27; replies to Questionnaire 1 to market participants, question 4.3.

¹¹⁶ Replies to Questionnaire 1 to market participants, question 29.2; replies to Questionnaire 2 to airport managers, questions 15 and 18; and replies to Questionnaire 3 to customer associations, question 18.

leisure car rental services, the combined market share of the merged entity would be [25-50]%.

- (179) Significant competitors such as Avis, Hertz, Locauto or WinRent are active in the market for short-term car rental services and short-term leisure car rental services at Milan Malpensa airport.¹¹⁷
- (180) Moreover no respondent to the market investigation raised any material concern as to the effect of the Transaction at Milan Malpensa airport.¹¹⁸
- (181) Overall, given the market shares of the Parties, the presence of significant competitors and the fact that no material concern was expressed during the market investigation, the Commission considers that the Transaction is unlikely to lead to any significant competition concerns for the market for short-term car rental services at Milan Malpensa airport, under any plausible segmentation.

Conclusion

- (182) In view of the above, and considering all evidence available to the Commission, the Transaction does not raise serious doubts as concerns the market for short-term car rental services at Milan Malpensa airport, under any plausible segmentation.

4.3.2.12. Olbia airport

Table 18 - Overlaps at Olbia airport

Overlapping market	Combined market share (%)	
	Short-term car rental services	Short-term leisure car rental services
Olbia airport	[25-50]%	[25-50]%

- (183) The market share of the merged entity on the market for short-term car rental services would reach [25-50]%. On a plausible narrower market for short-term leisure car rental services, the combined market share of the merged entity would be [25-50]%.
- (184) Significant competitors such as Avis, Hertz, Locauto or Sicily by Car are active in the market for short-term car rental services and short-term leisure car rental services at Olbia airport.¹¹⁹
- (185) In addition, a majority of the respondents to the market investigation submitted that there will be sufficient competition post-transaction at Olbia airport to prevent the merged entity from raising prices.¹²⁰

¹¹⁷ Form CO, Annex 27; replies to Questionnaire 1 to market participants, question 4.3.

¹¹⁸ Replies to Questionnaire 1 to market participants, question 29.2; replies to Questionnaire 2 to airport managers, questions 15 and 18; and replies to Questionnaire 3 to customer associations, question 18.

¹¹⁹ Form CO, Annex 27; replies to Questionnaire 1 to market participants, question 4.3

- (186) Moreover no respondent to the market investigation raised any material concern as to the effect of the Transaction at Olbia airport.¹²¹
- (187) Overall, given the market shares of the Parties, the presence of significant competitors, the fact that the Parties' competitors expect sufficient competition to prevent the merged entity from raising prices, and the fact that no material concern was expressed during the market investigation, the Commission considers that the Transaction is unlikely to lead to any significant competition concerns for the market for short-term car rental services at Olbia airport, under any plausible segmentation.

Conclusion

- (188) In view of the above, and considering all evidence available to the Commission, the Transaction does not raise serious doubts as concerns the market for short-term car rental services at Olbia airport, under any plausible segmentation.

4.3.2.13. Palermo airport

Table 19 - Overlaps at Palermo airport

Overlapping market	Combined market share (%)	
	Short-term car rental services	Short-term leisure car rental services
Palermo airport	[0-25]%	[25-50]%

- (189) The market share of the merged entity on the market for short-term car rental services would reach [0-25]%. On a plausible narrower market for short-term leisure car rental services, the combined market share of the merged entity would be [25-50]%.¹²²
- (190) Significant competitors such as Avis, Hertz, or Sicily by Car are active in the market for short-term car rental services and short-term leisure car rental services at Palermo airport.¹²³
- (191) Moreover no respondent to the market investigation raised any material concern as to the effect of the Transaction at Palermo airport.¹²³
- (192) Overall, given the market shares of the Parties, the presence of significant competitors and the fact that no material concern was expressed during the market investigation, the Commission considers that the Transaction is unlikely to lead to

¹²⁰ Replies to Questionnaire 1 to market participants, question 28; replies to Questionnaire 2 to airport managers, question 16; and replies to Questionnaire 3 to customer associations, question 16.

¹²¹ Replies to Questionnaire 1 to market participants, question 29; replies to Questionnaire 2 to airport managers, questions 15 and 17; and replies to Questionnaire 3 to customer associations, question 17.

¹²² Form CO, Annex 27; replies to Questionnaire 1 to market participants, question 4.3

¹²³ Replies to Questionnaire 1 to market participants, question 29.2; replies to Questionnaire 2 to airport managers, questions 15 and 18; and replies to Questionnaire 3 to customer associations, question 18.

any significant competition concerns for the market for short-term car rental services at Palermo airport, under any plausible segmentation.

Conclusion

- (193) In view of the above, and considering all evidence available to the Commission, the Transaction does not raise serious doubts as concerns the market for short-term car rental services at Palermo airport, under any plausible segmentation.

4.3.2.14. Pisa airport

Table 20 - Overlaps at Pisa airport

Overlapping market	Combined market share (%)	
	Short-term car rental services	Short-term leisure car rental services
Pisa airport	[25-50]%	[25-50]%

- (194) The market share of the merged entity on the market for short-term car rental services would reach [25-50]%. On a plausible narrower market for short-term leisure car rental services, the combined market share of the merged entity would be [25-50]%.
 (195) Significant competitors such as Avis, Hertz, Locauto or Sicily by Car are active in the market for short-term car rental services and short-term leisure car rental services at Pisa airport.¹²⁴
 (196) In addition, a majority of the respondents to the market investigation submitted that there will be sufficient competition post-transaction at Pisa airport to prevent the merged entity from raising prices.¹²⁵
 (197) Moreover no respondent to the market investigation raised any material concern as to the effect of the Transaction at Pisa airport.¹²⁶
 (198) Overall, given the market shares of the Parties, the presence of significant competitors, the fact that the Parties' competitors expect sufficient competition to prevent the merged entity from raising prices, and the fact that no material concern was expressed during the market investigation, the Commission considers that the Transaction is unlikely to lead to any significant competition concerns for the market for short-term car rental services at Pisa airport, under any plausible segmentation.

¹²⁴ Form CO, Annex 27; replies to Questionnaire 1 to market participants, question 4.3.

¹²⁵ Replies to Questionnaire 1 to market participants, question 28; replies to Questionnaire 2 to airport managers, question 16; and replies to Questionnaire 3 to customer associations, question 16.

¹²⁶ Replies to Questionnaire 1 to market participants, question 29; replies to Questionnaire 2 to airport managers, questions 15 and 17; and replies to Questionnaire 3 to customer associations, question 17.

Conclusion

- (199) In view of the above, and considering all evidence available to the Commission, the Transaction does not raise serious doubts as concerns the market for short-term car rental services at Pisa airport, under any plausible segmentation.

4.3.2.15. Rome Ciampino airport

Table 21 - Overlaps at Rome Ciampino airport

Overlapping market	Combined market share (%)	
	Short-term car rental services	Short-term leisure car rental services
Rome Ciampino airport	[0-25]%	[25-50]%

- (200) The market share of the merged entity on the market for short-term car rental services would reach [0-25]%. On a plausible narrower market for short-term leisure car rental services, the combined market share of the merged entity would be [25-50]%.
(201) Significant competitors such as Avis, Hertz or Sicily by Car are active in the market for short-term car rental services and short-term leisure car rental services at Rome Ciampino airport.¹²⁷
(202) Moreover no respondent to the market investigation raised any material concern as to the effect of the Transaction at Rome Ciampino airport.¹²⁸
(203) Overall, given the market shares of the Parties, the presence of significant competitors and the fact that no material concern was expressed during the market investigation, the Commission considers that the Transaction is unlikely to lead to any significant competition concerns for the market for short-term car rental services at Rome Ciampino airport, under any plausible segmentation.

Conclusion

- (204) In view of the above, and considering all evidence available to the Commission, the Transaction does not raise serious doubts as concerns the market for short-term car rental services at Rome Ciampino airport, under any plausible segmentation.

¹²⁷ Form CO, Annex 27; replies to Questionnaire 1 to market participants, question 4.3.

¹²⁸ Replies to Questionnaire 1 to market participants, question 29.2; replies to Questionnaire 2 to airport managers, questions 15 and 18; and replies to Questionnaire 3 to customer associations, question 18.

4.3.2.16. Rome Fiumicino airport

Table 22 - Overlaps at Rome Fiumicino airport

Overlapping market	Combined market share (%)	
	Short-term car rental services	Short-term leisure car rental services
Rome Fiumicino airport	[0-25]%	[25-50]%

- (205) The market share of the merged entity on the market for short-term car rental services would reach [0-25]%. On a plausible narrower market for short-term leisure car rental services, the combined market share of the merged entity would be [25-50]%.
- (206) Significant competitors such as Avis, Hertz or Locauto are active in the market for short-term car rental services and short-term leisure car rental services at Rome Fiumicino airport.¹²⁹
- (207) Moreover no respondent to the market investigation raised any material concern as to the effect of the Transaction at Rome Fiumicino airport.¹³⁰
- (208) Overall, given the market shares of the Parties, the presence of significant competitors and the fact that no material concern was expressed during the market investigation, the Commission considers that the Transaction is unlikely to lead to any significant competition concerns for the market for short-term car rental services at Rome Fiumicino airport, under any plausible segmentation.

Conclusion

- (209) In view of the above, and considering all evidence available to the Commission, the Transaction does not raise serious doubts as concerns the market for short-term car rental services at Rome Fiumicino airport, under any plausible segmentation.

4.3.2.17. Trapani airport

Table 23 - Overlaps at Trapani airport

Overlapping market	Combined market share (%)	
	Short-term car rental services	Short-term leisure car rental services
Trapani airport	[0-25]%	[0-25]%

- (210) The market share of the merged entity on the market for short-term car rental services would reach [0-25]%. On a plausible narrower market for short-term

¹²⁹ Form CO, Annex 27; replies to Questionnaire 1 to market participants, question 4.3.

¹³⁰ Replies to Questionnaire 1 to market participants, question 29.2; replies to Questionnaire 2 to airport managers, questions 15 and 18; and replies to Questionnaire 3 to customer associations, question 18.

leisure car rental services, the combined market share of the merged entity would be [0-25]%.

- (211) Significant competitors such as Avis, Hertz, Locauto or Sicily by Car are active in the market for short-term car rental services and short-term leisure car rental services at Trapani airport.¹³¹
- (212) Moreover no respondent to the market investigation raised any material concern as to the effect of the Transaction at Trapani airport.¹³²
- (213) Overall, given the market shares of the Parties, the presence of significant competitors and the fact that no material concern was expressed during the market investigation, the Commission considers that the Transaction is unlikely to lead to any significant competition concerns for the market for short-term car rental services at Trapani airport, under any plausible segmentation.

Conclusion

- (214) In view of the above, and considering all evidence available to the Commission, the Transaction does not raise serious doubts as concerns the market for short-term car rental services at Trapani airport, under any plausible segmentation.

4.3.2.18. Treviso airport

Table 24 - Overlaps at Treviso airport

Overlapping market	Combined market share (%)	
	Short-term car rental services	Short-term leisure car rental services
Treviso airport	[0-25]%	[25-50]%

- (215) The market share of the merged entity on the market for short-term car rental services would reach [0-25]%. On a plausible narrower market for short-term leisure car rental services, the combined market share of the merged entity would be [25-50]%.
- (216) Significant competitors such as Avis, Hertz, Locauto or Sicily by Car are active in the market for short-term car rental services and short-term leisure car rental services at Treviso airport.¹³³
- (217) Moreover no respondent to the market investigation raised any material concern as to the effect of the Transaction at Treviso airport.¹³⁴

¹³¹ Form CO, Annex 27; replies to Questionnaire 1 to market participants, question 4.3.

¹³² Replies to Questionnaire 1 to market participants, question 29.2; replies to Questionnaire 2 to airport managers, questions 15 and 18; and replies to Questionnaire 3 to customer associations, question 18.

¹³³ Form CO, Annex 27; replies to Questionnaire 1 to market participants, question 4.3.

¹³⁴ Replies to Questionnaire 1 to market participants, question 29.2; replies to Questionnaire 2 to airport managers, questions 15 and 18; and replies to Questionnaire 3 to customer associations, question 18.

(218) Overall, given the market shares of the Parties, the presence of significant competitors and the fact that no material concern was expressed during the market investigation, the Commission considers that the Transaction is unlikely to lead to any significant competition concerns for the market for short-term car rental services at Treviso airport, under any plausible segmentation.

Conclusion

(219) In view of the above, and considering all evidence available to the Commission, the Transaction does not raise serious doubts as concerns the market for short-term car rental services at Treviso airport, under any plausible segmentation.

4.3.2.19. Venice airport

Table 25 - Overlaps at Venice airport

Overlapping market	Combined market share (%)	
	Short-term car rental services	Short-term leisure car rental services
Venice airport	[0-25]%	[0-25]%

(220) The market share of the merged entity on the market for short-term car rental services would reach [0-25]%. On a plausible narrower market for short-term leisure car rental services, the combined market share of the merged entity would be [0-25]%.

(221) Significant competitors such as Avis, Hertz or Locauto are active in the market for short-term car rental services and short-term leisure car rental services at Venice airport.¹³⁵

(222) Moreover no respondent to the market investigation raised any material concern as to the effect of the Transaction at Venice airport.¹³⁶

(223) Overall, given the market shares of the Parties, the presence of significant competitors and the fact that no material concern was expressed during the market investigation, the Commission considers that the Transaction is unlikely to lead to any significant competition concerns for the market for short-term car rental services at Venice airport, under any plausible segmentation.

Conclusion

(224) In view of the above, and considering all evidence available to the Commission, the Transaction does not raise serious doubts as concerns the market for short-term car rental services at Venice airport, under any plausible segmentation.

¹³⁵ Form CO, Annex 27; replies to Questionnaire 1 to market participants, question 4.3.

¹³⁶ Replies to Questionnaire 1 to market participants, question 29.2; replies to Questionnaire 2 to airport managers, questions 15 and 18; and replies to Questionnaire 3 to customer associations, question 18.

4.3.2.20. Verona airport

Table 26 - Overlaps at Verona airport

Overlapping market	Combined market share (%)	
	Short-term car rental services	Short-term leisure car rental services
Verona airport	[0-25]%	[25-50]%

- (225) The market share of the merged entity on the market for short-term car rental services would reach [0-25]%. On a plausible narrower market for short-term leisure car rental services, the combined market share of the merged entity would be [25-50]%.
- (226) Significant competitors such as Avis, Hertz, Locauto, or Sicily by Car are active in the market for short-term car rental services and short-term leisure car rental services at Verona airport.¹³⁷
- (227) Moreover no respondent to the market investigation raised any material concern as to the effect of the Transaction at Verona airport.¹³⁸
- (228) Overall, given the market shares of the Parties, the presence of significant competitors and the fact that no material concern was expressed during the market investigation, the Commission considers that the Transaction is unlikely to lead to any significant competition concerns for the market for short-term car rental services at Verona airport, under any plausible segmentation.

Conclusion

- (229) In view of the above, and considering all evidence available to the Commission, the Transaction does not raise serious doubts as concerns the market for short-term car rental services at Verona airport, under any plausible segmentation.

4.3.3. Portugal

4.3.3.1. At national level

Table 27 - Overlaps in Portugal

Overlapping market	Combined market share (%)	
	Short-term car rental services	Short-term leisure car rental services
Portugal	[20-30]%	[20-30]%

- (230) The market shares of the merged entity on the market for short-term car rental services would remain limited at [20-30]%. On a plausible narrower market for

¹³⁷ Form CO, Annex 27; replies to Questionnaire 1 to market participants, question 4.3.

¹³⁸ Replies to Questionnaire 1 to market participants, question 29.2 replies to Questionnaire 2 to airport managers, questions 15 and 18; and replies to Questionnaire 3 to customer associations, question 18.

short-term leisure car rental services, the combined market share of the merged entity would be [20-30]%.

- (231) Significant competitors such as Avis, Hertz or Sixt are active in the market for short-term car rental services and short-term leisure car rental services at national level in Portugal.¹³⁹
- (232) In addition, a majority of the respondents to the market investigation submitted that there will be sufficient competition post-transaction in Portugal to prevent the merged entity from raising prices.¹⁴⁰
- (233) Moreover no respondent to the market investigation raised any material concern as to the effect of the Transaction in Portugal.¹⁴¹
- (234) Overall, given the limited market shares of the Parties, the presence of significant competitors, the fact that the Parties' competitors expect sufficient competition to prevent the merged entity from raising prices, and the fact that no material concern was expressed during the market investigation, the Commission considers that the Transaction is unlikely to lead to any significant competition concerns for the market for short-term car rental services in Portugal, under any plausible segmentation.

Conclusion

- (235) In view of the above, and considering all evidence available to the Commission, the Transaction does not raise serious doubts as concerns the market for short-term car rental services in Portugal, under any plausible segmentation.

4.3.3.2. Faro airport

Table 28 - Overlaps at Faro airport

Overlapping market	Combined market share (%)	
	Short-term car rental services	Short-term leisure car rental services
Faro airport	[25-50]%	[25-50]%

- (236) The market share of the merged entity on the market for short-term car rental services would reach [25-50]%. On a plausible narrower market for short-term leisure car rental services, the combined market share of the merged entity would be [25-50]%.

¹³⁹ Form CO, Annex 27; and replies to Questionnaire 1 to market participants, question 4.5 and/or to a Request for Information by the Commission.

¹⁴⁰ Replies to Questionnaire 1 to market participants, question 28; replies to Questionnaire 2 to airport managers, question 16; and replies to Questionnaire 3 to customer associations, question 16.

¹⁴¹ Replies to Questionnaire 1 to market participants, question 29.2; replies to Questionnaire 2 to airport managers, questions 15 and 18; and replies to Questionnaire 3 to customer associations, question 18.

- (237) Significant competitors such as Avis, Hertz, Sixt or Guerin are active in the market for short-term car rental services and short-term leisure car rental services at Faro airport.¹⁴²
- (238) Moreover no respondent to the market investigation raised any material concern as to the effect of the Transaction at Faro airport.¹⁴³
- (239) Overall, given the market shares of the Parties, the presence of significant competitors and the fact that no material concern was expressed during the market investigation, the Commission considers that the Transaction is unlikely to lead to any significant competition concerns for the market for short-term car rental services at Faro airport, under any plausible segmentation.

Conclusion

- (240) In view of the above, and considering all evidence available to the Commission, the Transaction does not raise serious doubts as concerns the market for short-term car rental services at Faro airport, under any plausible segmentation.

4.3.3.3. Lisbon airport

Table 29 - Overlaps at Lisbon airport

Overlapping market	Combined market share (%)	
	Short-term car rental services	Short-term leisure car rental services
Lisbon airport	[25-50]%	[25-50]%

- (241) The market share of the merged entity on the market for short-term car rental services would reach [25-50]%. On a plausible narrower market for short-term leisure car rental services, the combined market share of the merged entity would be [25-50]%.
- (242) Significant competitors such as Avis, Hertz, Sixt or Guerin are active in the market for short-term car rental services and short-term leisure car rental services at Lisbon airport.¹⁴⁴
- (243) Moreover no respondent to the market investigation raised any material concern as to the effect of the Transaction at Lisbon airport.¹⁴⁵
- (244) Overall, given the market shares of the Parties, the presence of significant competitors and the fact that no material concern was expressed during the market

¹⁴² Form CO, Annex 27; replies to Questionnaire 1 to market participants, question 4.4.

¹⁴³ Replies to Questionnaire 1 to market participants, question 29.2; replies to Questionnaire 2 to airport managers, questions 15 and 18; and replies to Questionnaire 3 to customer associations, question 18.

¹⁴⁴ Form CO, Annex 27; replies to Questionnaire 1 to market participants, question 4.4.

¹⁴⁵ Replies to Questionnaire 1 to market participants, question 29.2; replies to Questionnaire 2 to airport managers, questions 15 and 18; and replies to Questionnaire 3 to customer associations, question 18.

investigation, the Commission considers that the Transaction is unlikely to lead to any significant competition concerns for the market for short-term car rental services at Lisbon airport, under any plausible segmentation.

Conclusion

- (245) In view of the above, and considering all evidence available to the Commission, the Transaction does not raise serious doubts as concerns the market for short-term car rental services at Lisbon airport, under any plausible segmentation.

4.3.3.4. Madeira airport

Table 30 - Overlaps at Madeira airport

Overlapping market	Combined market share (%)	
	Short-term car rental services	Short-term leisure car rental services
Madeira airport	[25-50]%	[25-50]%

- (246) The market share of the merged entity on the market for short-term car rental services would reach [25-50]%. On a plausible narrower market for short-term leisure car rental services, the combined market share of the merged entity would be [25-50]%.
 (247) Significant competitors such as Avis, Guerin, Hertz or Rodavante are active in the market for short-term car rental services and short-term leisure car rental services at Madeira airport.¹⁴⁶
 (248) Moreover no respondent to the market investigation raised any material concern as to the effect of the Transaction at Madeira airport.¹⁴⁷
 (249) Overall, given the market shares of the Parties, the presence of significant competitors and the fact that no material concern was expressed during the market investigation, the Commission considers that the Transaction is unlikely to lead to any significant competition concerns for the market for short-term car rental services at Madeira airport, under any plausible segmentation.

Conclusion

- (250) In view of the above, and considering all evidence available to the Commission, the Transaction does not raise serious doubts as concerns the market for short-term car rental services at Madeira airport, under any plausible segmentation.

¹⁴⁶ Form CO, Annex 27; replies to Questionnaire 1 to market participants, question 4.4.

¹⁴⁷ Replies to Questionnaire 1 to market participants, question 29.2; replies to Questionnaire 2 to airport managers, questions 15 and 18; and replies to Questionnaire 3 to customer associations, question 18.

4.3.3.5. Ponta Delgada airport

Table 31 - Overlaps at Ponta Delgada airport

Overlapping market	Combined market share (%)	
	Short-term car rental services	Short-term leisure car rental services
Ponta Delgada airport	[0-25]%	[0-25]%

- (251) The Parties currently overlap in the provision of short-term car rental services at Ponta Delgada airport (Azores). However, Goldcar entered operations only in 2017.
- (252) The market share of the merged entity on the market for short-term car rental services would reach [0-25]%. On a plausible narrower market for short-term leisure car rental services, the combined market share of the merged entity would be [0-25]%.
- (253) Significant competitors such as Hertz or IlhaVerde are active in the market for short-term car rental services and short-term leisure car rental services at Ponta Delgada airport.¹⁴⁸
- (254) Moreover no respondent to the market investigation raised any material concern as to the effect of the Transaction at Ponta Delgada airport.¹⁴⁹
- (255) Overall, given the market shares of the Parties, the presence of significant competitors and the fact that no material concern was expressed during the market investigation, the Commission considers that the Transaction is unlikely to lead to any significant competition concerns for the market for short-term car rental services at Ponta Delgada airport, under any plausible segmentation.

Conclusion

- (256) In view of the above, and considering all evidence available to the Commission, the Transaction does not raise serious doubts as concerns the market for short-term car rental services at Ponta Delgada airport, under any plausible segmentation.

¹⁴⁸ Form CO, Annex 27; replies to Questionnaire 1 to market participants, question 4.4.

¹⁴⁹ Replies to Questionnaire 1 to market participants, question 29.2; replies to Questionnaire 2 to airport managers, questions 15 and 18; and replies to Questionnaire 3 to customer associations, question 18.

4.3.3.6. Porto airport

Table 32 - Overlaps at Porto airport

Overlapping market	Combined market share (%)	
	Short-term car rental services	Short-term leisure car rental services
Porto airport	[25-50]%	[25-50]%

- (257) The market share of the merged entity on the market for short-term car rental services would reach [25-50]%. On a plausible narrower market for short-term leisure car rental services, the combined market share of the merged entity would be [25-50]%.¹⁵⁰
- (258) Significant competitors such as Avis, Hertz, Sixt or Guerin are active in the market for short-term car rental services and short-term leisure car rental services at Porto airport.¹⁵⁰
- (259) In addition, a majority of the respondents to the market investigation submitted that there will be sufficient competition post-transaction at Porto airport to prevent the merged entity from raising prices.¹⁵¹
- (260) Moreover no respondent to the market investigation raised any material concern as to the effect of the Transaction at Porto airport.¹⁵²
- (261) Overall, given the market shares of the Parties, the presence of significant competitors, the fact that the Parties' competitors expect sufficient competition to prevent the merged entity from raising prices, and the fact that no material concern was expressed during the market investigation, the Commission considers that the Transaction is unlikely to lead to any significant competition concerns for the market for short-term car rental services at Porto airport, under any plausible segmentation.

Conclusion

- (262) In view of the above, and considering all evidence available to the Commission, the Transaction does not raise serious doubts as concerns the market for short-term car rental services at Porto airport, under any plausible segmentation.

¹⁵⁰ Form CO, Annex 27; replies to Questionnaire 1 to market participants, question 4.4.

¹⁵¹ Replies to Questionnaire 1 to market participants, question 28; replies to Questionnaire 2 to airport managers, question 16; and replies to Questionnaire 3 to customer associations, question 16.

¹⁵² Replies to Questionnaire 1 to market participants, question 29; replies to Questionnaire 2 to airport managers, questions 15 and 17; and replies to Questionnaire 3 to customer associations, question 17.

4.3.4. Spain

4.3.4.1. At national level

Table 33 - Overlaps in Spain

Overlapping market	Combined market share (%)	
	Short-term car rental services	Short-term leisure car rental services
Spain	[20-30]%	[20-30]%

- (263) The market shares of the merged entity on the market for short-term car rental services would remain limited at [20-30]%. On a plausible narrower market for short-term leisure car rental services, the combined market share of the merged entity would be [20-30]%.
- (264) Significant competitors such as Avis, Enterprise, Hertz or Sixt are active in the market for short-term car rental services and short-term leisure car rental services at national level in Spain.¹⁵³
- (265) In addition, a majority of the respondents to the market investigation submitted that there will be sufficient competition post-transaction in Spain to prevent the merged entity from raising prices.¹⁵⁴
- (266) Moreover a majority of respondents to the market investigation did not raise material concerns as to the effect of the Transaction in Spain.¹⁵⁵
- (267) Overall, given the limited market shares of the Parties, the presence of significant competitors, the fact that the Parties' competitors expect sufficient competition to prevent the merged entity from raising prices, and the fact that no material concern was expressed during the market investigation, the Commission considers that the Transaction is unlikely to lead to any significant competition concerns for the market for short-term car rental services in Spain, under any plausible segmentation.

Conclusion

- (268) In view of the above, and considering all evidence available to the Commission, the Transaction does not raise serious doubts as concerns the market for short-term car rental services in Spain, under any plausible segmentation.

¹⁵³ Form CO, Annex 27; and replies to Questionnaire 1 to market participants, question 4.5 and/or to a Request for Information by the Commission.

¹⁵⁴ Replies to Questionnaire 1 to market participants, question 28; replies to Questionnaire 2 to airport managers, question 16; and replies to Questionnaire 3 to customer associations, question 16.

¹⁵⁵ Replies to Questionnaire 1 to market participants, question 29.2; replies to Questionnaire 2 to airport managers, questions 15 and 18; and replies to Questionnaire 3 to customer associations, question 18.

4.3.4.2. Alicante airport

Table 34 - Overlaps at Alicante airport

Overlapping market	Combined market share (%)	
	Short-term car rental services	Short-term leisure car rental services
Alicante airport	[25-50]%	[25-50]%

- (269) The market share of the merged entity on the market for short-term car rental services would reach [25-50]%. On a plausible narrower market for short-term leisure car rental services, the combined market share of the merged entity would be [25-50]%.
- (270) Significant competitors such as Avis, Centauro, Hertz or Record Go are active in the market for short-term car rental services and short-term leisure car rental services at Alicante airport.¹⁵⁶
- (271) Moreover no respondent to the market investigation raised any material concern as to the effect of the Transaction at Alicante airport.¹⁵⁷
- (272) Overall, given the market shares of the Parties, the presence of significant competitors and the fact that no material concern was expressed during the market investigation, the Commission considers that the Transaction is unlikely to lead to any significant competition concerns for the market for short-term car rental services at Alicante airport, under any plausible segmentation.

Conclusion

- (273) In view of the above, and considering all evidence available to the Commission, the Transaction does not raise serious doubts as concerns the market for short-term car rental services at Alicante airport, under any plausible segmentation.

¹⁵⁶ Form CO, Annex 27; and replies to Questionnaire 1 to market participants, question 4.5 and/or to a Request for Information by the Commission.

¹⁵⁷ Replies to Questionnaire 1 to market participants, question 29.2; replies to Questionnaire 2 to airport managers, questions 15 and 18; and replies to Questionnaire 3 to customer associations, question 18.

4.3.4.3. Alicante downtown

Table 35 - Overlaps at Alicante downtown

Overlapping market	Combined market share (%)	
	Short-term car rental services	Short-term leisure car rental services
Alicante downtown	[25-50]%	[25-50]%

- (274) The market share of the merged entity on the market for short-term car rental services would reach [25-50]%. On a plausible narrower market for short-term leisure car rental services, the combined market share of the merged entity would be [25-50]%.¹⁵⁸
- (275) Significant competitors such as Avis, Enterprise, Hertz or Sixt are active in the market for short-term car rental services and short-term leisure car rental services at Alicante downtown.¹⁵⁸
- (276) Moreover no respondent to the market investigation raised any material concern as to the effect of the Transaction at Alicante downtown.¹⁵⁹
- (277) Overall, given the market shares of the Parties, the presence of significant competitors and the fact that no material concern was expressed during the market investigation, the Commission considers that the Transaction is unlikely to lead to any significant competition concerns for the market for short-term car rental services at Alicante downtown, under any plausible segmentation.

Conclusion

- (278) In view of the above, and considering all evidence available to the Commission, the Transaction does not raise serious doubts as concerns the market for short-term car rental services at Alicante downtown, under any plausible segmentation.

4.3.4.4. Almeria airport

Table 36 - Overlaps at Almeria airport

Overlapping market	Combined market share (%)	
	Short-term car rental services	Short-term leisure car rental services
Almeria airport	[50-75]%	[75-100]%

- (279) The market share of the merged entity on the market for short-term car rental services would reach [50-75]% at Almeria airport. On a plausible narrower

¹⁵⁸ Form CO, Annex 27; replies to Questionnaire 1 to market participants, question 4.6.

¹⁵⁹ Replies to Questionnaire 1 to market participants, question 29.2; replies to Questionnaire 2 to airport managers, questions 15 and 18; and replies to Questionnaire 3 to customer associations, question 18.

market for short-term leisure car rental services, the combined market share of the merged entity would be [75-100]%.

- (280) Nevertheless, despite the high combined market shares of the Parties at Almeria airport (where both operate on-airport), some structural specificities of the market for the provision of short-term car rental services need to be considered in the assessment.
- (281) First, as mentioned in section 4.1 above, the barriers to operate car rental services are low. The investment required and the time necessary to start or expand operations in a given airport are relatively low, and brokers exert competitive pressure over car rental operators. In the particular case of Almeria airport, there remains additional commercial and parking space available so that a competitor could start to operate on-airport services relatively quickly.¹⁶⁰
- (282) Second, significant competitors such as Avis or Hertz are active in the market for short-term car rental services and short-term leisure car rental services at Almeria airport.¹⁶¹ These competitors have a multi-brand portfolio addressing both corporate and leisure services, and they are considered closer competitors to Europcar than Goldcar.
- (283) Hertz is also active on-airport and it could easily re-deploy its fleet and sales channels (directly or through any of its subsidiary brands such as Dollar or Firefly) to re-balance its offer between corporate and leisure customers if the merged entity attempts to increase prices in any or both of the two segments.
- (284) In addition, a competitor operating off-airport at Almeria airport submitted that on-airport and off-airport services are interchangeable in the particular case of Almeria airport.¹⁶²
- (285) Third, and importantly, a respondent to the market investigation provided a clear indication that another low cost car rental supplier will likely enter at Almeria airport in 2018, which would likely exert sufficient competitive pressure to counter any potential price increase by the merged entity.¹⁶³
- (286) Fourth, a majority of the respondents to the market investigation having expressed an opinion submitted that there will be sufficient competition post-Transaction at Almeria airport to prevent the merged entity from raising prices.¹⁶⁴
- (287) Moreover no respondent to the market investigation raised any material concern as to the effect of the Transaction at Almeria airport.¹⁶⁵

¹⁶⁰ See Section 4.1.4 for a description on the entry into on-airport operations in the Spanish airports managed by AENA.

¹⁶¹ Form CO, Annex 27; replies to Questionnaire 1 to market participants, question 4.2.

¹⁶² Replies to Questionnaire 1 to market participants, question 9.3.1.

¹⁶³ Reply to Questionnaire 1 to market participants, question 28.1 in conjunction with an e-mail by a market participant of 29 November 2017.

¹⁶⁴ Replies to Questionnaire 1 to market participants, question 28.

(288) On balance, given the low barriers to entry, the presence of significant close competitors, the likelihood of timely and sufficient entry, the fact that the majority of respondents to the market investigation expect sufficient competition to prevent the merged entity from raising prices, and the fact that no material concern was expressed during the market investigation, the Commission considers that the Transaction is unlikely to lead to any significant competition concerns for the market for short-term car rental services at Almeria airport, under any plausible segmentation.

Conclusion

(289) In view of the above, and considering all evidence available to the Commission, the Transaction does not raise serious doubts as concerns the market for short-term car rental services at Almeria airport, under any plausible segmentation.

4.3.4.5. Asturias airport

Table 37 - Overlaps at Asturias airport

Overlapping market	Combined market share (%)	
	Short-term car rental services	Short-term leisure car rental services
Asturias airport	[25-50]%	[25-50]%

(290) The market share of the merged entity on the market for short-term car rental services would reach [25-50]%. On a plausible narrower market for short-term leisure car rental services, the combined market share of the merged entity would be [25-50]%.¹⁶⁵

(291) Significant competitors such as Avis, Enterprise or Hertz are active in the market for short-term car rental services and short-term leisure car rental services at Asturias airport.¹⁶⁶

(292) In addition, a majority of the respondents to the market investigation submitted that there will be sufficient competition post-transaction at Asturias airport to prevent the merged entity from raising prices.¹⁶⁷

(293) Moreover no respondent to the market investigation raised any material concern as to the effect of the Transaction at Asturias airport.¹⁶⁸

¹⁶⁵ Replies to Questionnaire 1 to market participants, question 29; replies to Questionnaire 2 to airport managers, questions 15 and 17; and replies to Questionnaire 3 to customer associations, questions 17.

¹⁶⁶ Form CO, Annex 27; and replies to Questionnaire 1 to market participants, question 4.5 and/or to a Request for Information by the Commission.

¹⁶⁷ Replies to Questionnaire 1 to market participants, question 28; replies to Questionnaire 2 to airport managers, question 16; and replies to Questionnaire 3 to customer associations, question 16.

¹⁶⁸ Replies to Questionnaire 1 to market participants, question 29; replies to Questionnaire 2 to airport managers, questions 15 and 17; and replies to Questionnaire 3 to customer associations, question 17.

(294) Overall, given the market shares of the Parties, the presence of significant competitors, the fact that the Parties' competitors expect sufficient competition to prevent the merged entity from raising prices, and the fact that no material concern was expressed during the market investigation, the Commission considers that the Transaction is unlikely to lead to any significant competition concerns for the market for short-term car rental services at Asturias airport, under any plausible segmentation.

Conclusion

(295) In view of the above, and considering all evidence available to the Commission, the Transaction does not raise serious doubts as concerns the market for short-term car rental services at Asturias airport, under any plausible segmentation.

4.3.4.6. Barcelona airport

Table 38 - Overlaps at Barcelona airport

Overlapping market	Combined market share (%)	
	Short-term car rental services	Short-term leisure car rental services
Barcelona airport	[25-50]%	[25-50]%

(296) The market share of the merged entity on the market for short-term car rental services would reach [25-50]%. On a plausible narrower market for short-term leisure car rental services, the combined market share of the merged entity would be [25-50]%.

(297) Significant competitors such as Avis, Enterprise, Hertz or Sixt are active in the market for short-term car rental services and short-term leisure car rental services at Barcelona airport.¹⁶⁹

(298) Moreover no respondent to the market investigation raised any material concern as to the effect of the Transaction at Barcelona airport.¹⁷⁰

(299) Overall, given the market shares of the Parties, the presence of significant competitors and the fact that no material concern was expressed during the market investigation, the Commission considers that the Transaction is unlikely to lead to any significant competition concerns for the market for short-term car rental services at Barcelona airport, under any plausible segmentation.

¹⁶⁹ Form CO, Annex 27; and replies to Questionnaire 1 to market participants, question 4.5 and/or to a Request for Information by the Commission.

¹⁷⁰ Replies to Questionnaire 1 to market participants, question 29.2; replies to Questionnaire 2 to airport managers, questions 15 and 18; and replies to Questionnaire 3 to customer associations, question 18.

Conclusion

- (300) In view of the above, and considering all evidence available to the Commission, the Transaction does not raise serious doubts as concerns the market for short-term car rental services at Barcelona airport, under any plausible segmentation.

4.3.4.7. Barcelona downtown

Table 39 - Overlaps at Barcelona downtown

Overlapping market	Combined market share (%)	
	Short-term car rental services	Short-term leisure car rental services
Barcelona downtown	[0-25]%	[0-25]%

- (301) The market share of the merged entity on the market for short-term car rental services would reach [0-25]%. On a plausible narrower market for short-term leisure car rental services, the combined market share of the merged entity would be [0-25]%.
(302) Significant competitors such as Avis, Enterprise, Hertz or Sixt, are active in the market for short-term car rental services and short-term leisure car rental services at Barcelona downtown.¹⁷¹
(303) Moreover no respondent to the market investigation raised any material concern as to the effect of the Transaction at Barcelona downtown.¹⁷²
(304) Overall, given the market shares of the Parties, the presence of significant competitors and the fact that no material concern was expressed during the market investigation, the Commission considers that the Transaction is unlikely to lead to any significant competition concerns for the market for short-term car rental services at Barcelona downtown, under any plausible segmentation.

Conclusion

- (305) In view of the above, and considering all evidence available to the Commission, the Transaction does not raise serious doubts as concerns the market for short-term car rental services at Barcelona downtown, under any plausible segmentation.

¹⁷¹ Form CO, Annex 27; replies to Questionnaire 1 to market participants, question 4.6.

¹⁷² Replies to Questionnaire 1 to market participants, question 29.2; replies to Questionnaire 2 to airport managers, questions 15 and 18; and replies to Questionnaire 3 to customer associations, question 18.

4.3.4.8. Benidorm downtown

Table 40 - Overlaps at Benidorm downtown

Overlapping market	Combined market share (%)	
	Short-term car rental services	Short-term leisure car rental services
Benidorm downtown	[0-25]%	[0-25]%

- (306) The market share of the merged entity on the market for short-term car rental services would reach [0-25]%. On a plausible narrower market for short-term leisure car rental services, the combined market share of the merged entity would be [0-25]%.
(307) Significant competitors such as Avis, Centauro or Enterprise are active in the market for short-term car rental services and short-term leisure car rental services at Benidorm downtown.¹⁷³
(308) Moreover no respondent to the market investigation raised any material concern as to the effect of the Transaction at Benidorm downtown.¹⁷⁴
(309) Overall, given the market shares of the Parties, the presence of significant competitors and the fact that no material concern was expressed during the market investigation, the Commission considers that the Transaction is unlikely to lead to any significant competition concerns for the market for short-term car rental services at Benidorm downtown, under any plausible segmentation.

Conclusion

- (310) In view of the above, and considering all evidence available to the Commission, the Transaction does not raise serious doubts as concerns the market for short-term car rental services at Benidorm downtown, under any plausible segmentation.

¹⁷³ Form CO, Annex 27; replies to Questionnaire 1 to market participants, question 4.6.

¹⁷⁴ Replies to Questionnaire 1 to market participants, question 29.2; replies to Questionnaire 2 to airport managers, questions 15 and 18; and replies to Questionnaire 3 to customer associations, question 18.

4.3.4.9. Bilbao airport

Table 41 - Overlaps at Bilbao airport

Overlapping market	Combined market share (%)	
	Short-term car rental services	Short-term leisure car rental services
Bilbao airport	[25-50]%	[25-50]%

- (311) The market share of the merged entity on the market for short-term car rental services would reach [25-50]%. On a plausible narrower market for short-term leisure car rental services, the combined market share of the merged entity would be [25-50]%.
- (312) Significant competitors such as Avis, Enterprise, Hertz or Sixt are active in the market for short-term car rental services and short-term leisure car rental services at Bilbao airport.¹⁷⁵
- (313) Moreover no respondent to the market investigation raised any material concern as to the effect of the Transaction at Bilbao airport.¹⁷⁶
- (314) Overall, given the market shares of the Parties, the presence of significant competitors and the fact that no material concern was expressed during the market investigation, the Commission considers that the Transaction is unlikely to lead to any significant competition concerns for the market for short-term car rental services at Bilbao airport, under any plausible segmentation.

Conclusion

- (315) In view of the above, and considering all evidence available to the Commission, the Transaction does not raise serious doubts as concerns the market for short-term car rental services at Bilbao airport, under any plausible segmentation.

¹⁷⁵ Form CO, Annex 27; and replies to Questionnaire 1 to market participants, question 4.5 and/or to a Request for Information by the Commission.

¹⁷⁶ Replies to Questionnaire 1 to market participants, question 29.2; replies to Questionnaire 2 to airport managers, questions 15 and 18; and replies to Questionnaire 3 to customer associations, question 18.

4.3.4.10. Fuerteventura airport

Table 42 - Overlaps at Fuerteventura airport

Overlapping market	Combined market share (%)	
	Short-term car rental services	Short-term leisure car rental services
Fuerteventura airport	[0-25]%	[0-25]%

- (316) The market share of the merged entity on the market for short-term car rental services would reach [0-25]%. On a plausible narrower market for short-term leisure car rental services, the combined market share of the merged entity would be [0-25]%.
- (317) Significant competitors such as Avis, Cicar, Hertz or TopCar are active in the market for short-term car rental services and short-term leisure car rental services at Fuerteventura airport.¹⁷⁷
- (318) Moreover no respondent to the market investigation raised any material concern as to the effect of the Transaction at Fuerteventura airport.¹⁷⁸
- (319) Overall, given the market shares of the Parties, the presence of significant competitors and the fact that no material concern was expressed during the market investigation, the Commission considers that the Transaction is unlikely to lead to any significant competition concerns for the market for short-term car rental services at Fuerteventura airport, under any plausible segmentation.

Conclusion

- (320) In view of the above, and considering all evidence available to the Commission, the Transaction does not raise serious doubts as concerns the market for short-term car rental services at Fuerteventura airport, under any plausible segmentation.

¹⁷⁷ Form CO, Annex 27; and replies to Questionnaire 1 to market participants, question 4.5 and/or to a Request for Information by the Commission.

¹⁷⁸ Replies to Questionnaire 1 to market participants, question 29.2; replies to Questionnaire 2 to airport managers, questions 15 and 18; and replies to Questionnaire 3 to customer associations, question 18.

4.3.4.11. Girona airport

Table 43 - Overlaps at Girona airport

Overlapping market	Combined market share (%)	
	Short-term car rental services	Short-term leisure car rental services
Girona airport	[50-75]%	[50-75]%

- (321) The market share of the merged entity on the market for short-term car rental services would reach [50-75]% at Girona airport. On a plausible narrower market for short-term leisure car rental services, the combined market share of the merged entity would be [50-75]%.
- (322) Nevertheless, despite the high combined market shares of the Parties at Girona airport, some specificities of the market for the provision of short-term car rental services need to be considered in the assessment.
- (323) First, as mentioned in section 4.1 above, the barriers to operate car rental services are low. The investment required and the time necessary to start or expand operations in a given airport are relatively low, and brokers exert competitive pressure over car rental operators. In the case of Girona airport (where Europcar operates off-airport and Goldcar operates on-airport), there remains additional commercial and parking space available so that a competitor could start to operate on-airport services relatively quickly.¹⁷⁹
- (324) As a way of example to illustrate the market dynamics, Sixt entered operations in May 2017;¹⁸⁰ Goldcar exited Girona airport in October 2016, but re-entered in June 2017; and Europcar stopped operating on-airport at Girona airport in October 2016 to resume operations immediately afterwards from a station located off-airport.
- (325) Second, significant competitors such as Avis, Hertz or Sixt are active in the market for short-term car rental services and short-term leisure car rental services at Girona airport.¹⁸¹ Most of these competitors have a multi-brand portfolio addressing both corporate and leisure services, and they are considered closer competitor to Europcar than Goldcar.
- (326) Third, a majority of respondents to the market investigation having expressed an opinion submitted that there will be sufficient competition post-transaction at Girona airport to prevent the merged entity from raising prices.¹⁸²

¹⁷⁹ See section 4.1.4 for a description on the entry into on-airport operations in the Spanish airports managed by AENA.

¹⁸⁰ See e-mail of Sixt of 23 October 2017.

¹⁸¹ Form CO, Annex 27; replies to Questionnaire 1 to market participants, question 4.2.

¹⁸² Replies to Questionnaire 1 to market participants, question 28.

- (327) Moreover no respondent to the market investigation raised any material concern as to the effect of the Transaction at Girona airport.¹⁸³
- (328) On balance, given the low barriers to entry, the market dynamics, the presence of significant close competitors, the fact that a majority of respondents to the market investigation expect sufficient competition to prevent the merged entity from raising prices, and the fact that no material concern was expressed during the market investigation, the Commission considers that the Transaction is unlikely to lead to any significant competition concerns for the market for short-term car rental services at Girona airport, under any plausible segmentation.

Conclusion

- (329) In view of the above, and considering all evidence available to the Commission, the Transaction does not raise serious doubts as concerns the market for short-term car rental services at Girona airport, under any plausible segmentation.

4.3.4.12. Gran Canaria airport

Table 44 - Overlaps at Gran Canaria airport

Overlapping market	Combined market share (%)	
	Short-term car rental services	Short-term leisure car rental services
Gran Canaria airport	[25-50]%	[25-50]%

- (330) The market share of the merged entity on the market for short-term car rental services would reach [25-50]%. On a plausible narrower market for short-term leisure car rental services, the combined market share of the merged entity would be [25-50]%.
(331) Significant competitors such as Avis, Cicar, Hertz or Topcar are active in the market for short-term car rental services and short-term leisure car rental services at Gran Canaria airport.¹⁸⁴
(332) Moreover no respondent to the market investigation raised any material concern as to the effect of the Transaction at Gran Canaria airport.¹⁸⁵
(333) Overall, given the market shares of the Parties, the presence of significant competitors and the fact that no material concern was expressed during the market investigation, the Commission considers that the Transaction is unlikely to lead to any significant competition concerns for the market for short-term car rental services at Gran Canaria airport, under any plausible segmentation.

¹⁸³ Replies to Questionnaire 1 to market participants, question 29; replies to Questionnaire 2 to airport managers, questions 15 and 17; and replies to Questionnaire 3 to customer associations, questions 17.

¹⁸⁴ Form CO, Annex 27; and replies to Questionnaire 1 to market participants, question 4.5 and/or to a Request for Information by the Commission.

¹⁸⁵ Replies to Questionnaire 1 to market participants, question 29.2; replies to Questionnaire 2 to airport managers, questions 15 and 18; and replies to Questionnaire 3 to customer associations, question 18.

Conclusion

- (334) In view of the above, and considering all evidence available to the Commission, the Transaction does not raise serious doubts as concerns the market for short-term car rental services at Gran Canaria airport, under any plausible segmentation.

4.3.4.13. Granada airport

Table 45 - Overlaps at Granada airport

Overlapping market	Combined market share (%)	
	Short-term car rental services	Short-term leisure car rental services
Granada airport	[25-50]%	[50-75]%

- (335) The market share of the merged entity on the market for short-term car rental services would reach [25-50]% at Granada airport. On a plausible narrower market for short-term leisure car rental services, the combined market share of the merged entity would be [50-75]%.
- (336) Nevertheless, despite the high combined market shares of the Parties at Granada airport for leisure customers, some specificities of the market for the provision of short-term car rental services need to be considered in the assessment.
- (337) First, as mentioned in section 4.1 above, the barriers to operate car rental services are low. The investment required and the time necessary to start or expand operations in a given airport are relatively low, and brokers exert competitive pressure over car rental operators. In the case of Granada airport (where both Europcar and Goldcar operate off-airport), there remains additional commercial and parking space available so that a competitor could start to operate on-airport services relatively quickly.¹⁸⁶
- (338) As a way of example to illustrate the market dynamics, both Goldcar and Europcar stopped operating on-airport at Granada airport in October 2016 to resume operations immediately afterwards from stations located off-airport; and OK Rent a Car entered Granada airport in 2017.¹⁸⁷
- (339) Second, significant competitors such as Avis, Enterprise or OK Rent a Car are active in the market for short-term car rental services and short-term leisure car rental services at Granada airport.¹⁸⁸ Most of these competitors have a multi-brand portfolio addressing both corporate and leisure services, and they are closer competitor to Europcar than Goldcar.

¹⁸⁶ See section 4.1.4 for a description on the entry into on-airport operations in the Spanish airports managed by AENA.

¹⁸⁷ Competitive assessment submitted by the Parties to the Commission on 16 November 2016.

¹⁸⁸ Form CO, Annex 27; replies to Questionnaire 1 to market participants, question 4.2.

- (340) Third, a majority of the respondents to the market investigation having expressed an opinion submitted that there will be sufficient competition post-transaction at Granada airport to prevent the merged entity from raising prices.¹⁸⁹
- (341) Moreover no respondent to the market investigation raised any material concern as to the effect of the Transaction at Granada airport.¹⁹⁰
- (342) Finally, the market for short-term leisure car rental services at Granada airport is limited in size, with only [...] and [...] contracts reserved with Europcar and Goldcar respectively in 2016.¹⁹¹
- (343) On balance, given the low barriers to entry, the market dynamics, the presence of significant close competitors, the fact that the Parties' competitors expect sufficient competition to prevent the merged entity from raising prices, the fact that no material concern was expressed during the market investigation, and the limited size of the market for short-term car rental services at Granada airport, the Commission considers that the Transaction is unlikely to lead to any significant competition concerns for the market for short-term car rental services at Granada airport, under any plausible segmentation.

Conclusion

- (344) In view of the above, and considering all evidence available to the Commission, the Transaction does not raise serious doubts as concerns the market for short-term car rental services at Granada airport, under any plausible segmentation.

4.3.4.14. Ibiza airport

Table 46 - Overlaps at Ibiza airport

Overlapping market	Combined market share (%)	
	Short-term car rental services	Short-term leisure car rental services
Ibiza airport	[25-50]%	[25-50]%

- (345) The market share of the merged entity on the market for short-term car rental services would reach [25-50]%. On a plausible narrower market for short-term leisure car rental services, the combined market share of the merged entity would be [25-50]%.¹⁹²
- (346) Significant competitors such as Avis, Hertz, OK Rent a Car or Sixt are active in the market for short-term car rental services and short-term leisure car rental services at Ibiza airport.¹⁹²

¹⁸⁹ Replies to Questionnaire 1 to market participants, question 28.

¹⁹⁰ Replies to Questionnaire 1 to market participants, question 29; replies to Questionnaire 2 to airport managers, questions 15 and 17; and replies to Questionnaire 3 to customer associations, questions 17.

¹⁹¹ Europcar's replies to RFI-5 of 9 November 2017.

- (347) In addition, a majority of the respondents to the market investigation submitted that there will be sufficient competition post-transaction at Ibiza airport to prevent the merged entity from raising prices.¹⁹³
- (348) Moreover no respondent to the market investigation raised any material concern as to the effect of the Transaction at Ibiza airport.¹⁹⁴
- (349) Overall, given the market shares of the Parties, the presence of significant competitors, the fact that the Parties' competitors expect sufficient competition to prevent the merged entity from raising prices, and the fact that no material concern was expressed during the market investigation, the Commission considers that the Transaction is unlikely to lead to any significant competition concerns for the market for short-term car rental services at Ibiza airport, under any plausible segmentation.

Conclusion

- (350) In view of the above, and considering all evidence available to the Commission, the Transaction does not raise serious doubts as concerns the market for short-term car rental services at Ibiza airport, under any plausible segmentation.

4.3.4.15. Jerez airport

Table 47 - Overlaps at Jerez airport

Overlapping market	Combined market share (%)	
	Short-term car rental services	Short-term leisure car rental services
Jerez airport	[25-50]%	[25-50]%

- (351) The market share of the merged entity on the market for short-term car rental services would reach [25-50]%. On a plausible narrower market for short-term leisure car rental services, the combined market share of the merged entity would be [25-50]%.
- (352) Significant competitors such as Avis, Enterprise, Hertz or Sixt are active in the market for short-term car rental services and short-term leisure car rental services at Jerez airport.¹⁹⁵

¹⁹² Form CO, Annex 27; and replies to Questionnaire 1 to market participants, question 4.5 and/or to a Request for Information by the Commission.

¹⁹³ Replies to Questionnaire 1 to market participants, question 28; replies to Questionnaire 2 to airport managers, question 16; and replies to Questionnaire 3 to customer associations, question 16.

¹⁹⁴ Replies to Questionnaire 1 to market participants, question 29; replies to Questionnaire 2 to airport managers, questions 15 and 17; and replies to Questionnaire 3 to customer associations, question 17.

¹⁹⁵ Form CO, Annex 27; and replies to Questionnaire 1 to market participants, question 4.5 and/or to a Request for Information by the Commission.

- (353) In addition, a majority of the respondents to the market investigation submitted that there will be sufficient competition post-transaction at Jerez airport to prevent the merged entity from raising prices.¹⁹⁶
- (354) Moreover no respondent to the market investigation raised any material concern as to the effect of the Transaction at Jerez airport.¹⁹⁷
- (355) Overall, given the market shares of the Parties, the presence of significant competitors, the fact that the Parties' competitors expect sufficient competition to prevent the merged entity from raising prices, and the fact that no material concern was expressed during the market investigation, the Commission considers that the Transaction is unlikely to lead to any significant competition concerns for the market for short-term car rental services at Jerez airport, under any plausible segmentation.

Conclusion

- (356) In view of the above, and considering all evidence available to the Commission, the Transaction does not raise serious doubts as concerns the market for short-term car rental services at Jerez airport, under any plausible segmentation.

4.3.4.16. La Linea downtown

Table 48 - Overlaps at La Linea downtown

Overlapping market	Combined market share (%)	
	Short-term car rental services	Short-term leisure car rental services
La Linea downtown	[25-50]%	[25-50]%

- (357) Car rental stations located in La Línea de la Concepción ("La Linea", Spain) mostly service airline customers flying to/from the airport in Gibraltar (British Overseas Territory) in an off-airport manner.¹⁹⁸
- (358) The market share of the merged entity on the market for short-term car rental services would reach [25-50]%. On a plausible narrower market for short-term leisure car rental services, the combined market share of the merged entity would be [25-50]%.

¹⁹⁶ Replies to Questionnaire 1 to market participants, question 28; replies to Questionnaire 2 to airport managers, question 16; and replies to Questionnaire 3 to customer associations, question 16.

¹⁹⁷ Replies to Questionnaire 1 to market participants, question 29; replies to Questionnaire 2 to airport managers, questions 15 and 17; and replies to Questionnaire 3 to customer associations, question 17.

¹⁹⁸ The Parties do not offer pick up/drop off services at Gibraltar airport, but estimate that [80-90]% and [90-100]% of the contracts closed with Europcar and Goldcar respectively at la Linea are signed by airline passengers flying to/from Gibraltar airport – Europcar's replies to RFI-5 of 9 November 2017. Therefore, considering those exceptional local circumstances and as an exception to the geographic market definition referred to in section 3.2, no distinction will be made at local level between La Linea downtown and Gibraltar airport, which are at walking distance from each other.

- (359) Significant competitors such as Avis or Autos Aguirre are active in the market for short-term car rental services and short-term leisure car rental services at La Linea downtown/Gibraltar airport.¹⁹⁹
- (360) Moreover no respondent to the market investigation raised any material concern as to the effect of the Transaction at La Linea downtown/Gibraltar airport.²⁰⁰
- (361) Overall, given the market shares of the Parties, the presence of significant competitors, the fact that the Parties' competitors expect sufficient competition to prevent the merged entity from raising prices, and the fact that no material concern was expressed during the market investigation, the Commission considers that the Transaction is unlikely to lead to any significant competition concerns for the market for short-term car rental services at La Linea downtown/Gibraltar airport, under any plausible segmentation.

Conclusion

- (362) In view of the above, and considering all evidence available to the Commission, the Transaction does not raise serious doubts as concerns the market for short-term car rental services at La Linea downtown/Gibraltar airport, under any plausible segmentation.

4.3.4.17. Lanzarote airport

Table 49 - Overlaps at Lanzarote airport

Overlapping market	Combined market share (%)	
	Short-term car rental services	Short-term leisure car rental services
Lanzarote airport	[0-25]%	[0-25]%

- (363) The market share of the merged entity on the market for short-term car rental services would reach [0-25]%. On a plausible narrower market for short-term leisure car rental services, the combined market share of the merged entity would be [0-25]%.
- (364) Significant competitors such as AutoReisen, Avis, Cicar, or Hertz are active in the market for short-term car rental services and short-term leisure car rental services at Lanzarote airport.²⁰¹
- (365) Moreover no respondent to the market investigation raised any material concern as to the effect of the Transaction at Lanzarote airport.²⁰²

¹⁹⁹ Form CO, Annex 27; replies to Questionnaire 1 to market participants, question 4.6

²⁰⁰ Replies to Questionnaire 1 to market participants, question 29.2; replies to Questionnaire 2 to airport managers, questions 15 and 18; and replies to Questionnaire 3 to customer associations, question 18.

²⁰¹ Form CO, Annex 27; and replies to Questionnaire 1 to market participants, question 4.5 and/or to a Request for Information by the Commission.

(366) Overall, given the market shares of the Parties, the presence of significant competitors and the fact that no material concern was expressed during the market investigation, the Commission considers that the Transaction is unlikely to lead to any significant competition concerns for the market for short-term car rental services at Lanzarote airport, under any plausible segmentation.

Conclusion

(367) In view of the above, and considering all evidence available to the Commission, the Transaction does not raise serious doubts as concerns the market for short-term car rental services at Lanzarote airport, under any plausible segmentation.

4.3.4.18. Madrid airport

Table 50 - Overlaps at Madrid airport

Overlapping market	Combined market share (%)	
	Short-term car rental services	Short-term leisure car rental services
Madrid airport	[25-50]%	[25-50]%

(368) The market share of the merged entity on the market for short-term car rental services would reach [25-50]%. On a plausible narrower market for short-term leisure car rental services, the combined market share of the merged entity would be [25-50]%.

(369) Significant competitors such as Avis, Enterprise, Hertz or Sixt are active in the market for short-term car rental services and short-term leisure car rental services at Madrid airport.²⁰³

(370) Moreover no respondent to the market investigation raised any material concern as to the effect of the Transaction at Madrid airport.²⁰⁴

(371) Overall, given the market shares of the Parties, the presence of significant competitors, the Commission considers that the Transaction is unlikely to lead to any significant competition concerns for the market for short-term car rental services at Madrid airport, under any plausible segmentation.

Conclusion

(372) In view of the above, and considering all evidence available to the Commission, the Transaction does not raise serious doubts as concerns the market for short-term car rental services at Madrid airport, under any plausible segmentation.

²⁰² Replies to Questionnaire 1 to market participants, question 29.2; replies to Questionnaire 2 to airport managers, questions 15 and 18; and replies to Questionnaire 3 to customer associations, question 18.

²⁰³ Form CO, Annex 27; and replies to Questionnaire 1 to market participants, question 4.5 and/or to a Request for Information by the Commission.

²⁰⁴ Replies to Questionnaire 1 to market participants, question 29.2; replies to Questionnaire 2 to airport managers, questions 15 and 18; and replies to Questionnaire 3 to customer associations, question 18.

4.3.4.19. Madrid downtown

Table 51 - Overlaps at Madrid downtown

Overlapping market	Combined market share (%)	
	Short-term car rental services	Short-term leisure car rental services
Madrid downtown	[0-25]%	[0-25]%

- (373) The market share of the merged entity on the market for short-term car rental services would reach [0-25]%. On a plausible narrower market for short-term leisure car rental services, the combined market share of the merged entity would be [0-25]%.
- (374) Significant competitors such as Avis, Enterprise, Hertz or Sixt are active in the market for short-term car rental services and short-term leisure car rental services at Madrid downtown.²⁰⁵
- (375) Moreover no respondent to the market investigation raised any material concern as to the effect of the Transaction at Madrid downtown.²⁰⁶
- (376) Overall, given the market shares of the Parties, the presence of significant competitors and the fact that no material concern was expressed during the market investigation, the Commission considers that the Transaction is unlikely to lead to any significant competition concerns for the market for short-term car rental services at Madrid downtown, under any plausible segmentation.

Conclusion

- (377) In view of the above, and considering all evidence available to the Commission, the Transaction does not raise serious doubts as concerns the market for short-term car rental services at Madrid downtown, under any plausible segmentation.

4.3.4.20. Malaga airport

Table 52 - Overlaps at Malaga airport

Overlapping market	Combined market share (%)	
	Short-term car rental services	Short-term leisure car rental services
Malaga airport	[25-50]%	[25-50]%

- (378) The market share of the merged entity on the market for short-term car rental services would reach [25-50]%. On a plausible narrower market for short-term

²⁰⁵ Form CO, Annex 27; replies to Questionnaire 1 to market participants, question 4.6.

²⁰⁶ Replies to Questionnaire 1 to market participants, question 29.2; replies to Questionnaire 2 to airport managers, questions 15 and 18; and replies to Questionnaire 3 to customer associations, question 18.

leisure car rental services, the combined market share of the merged entity would be [25-50]%.

- (379) Significant competitors such as Avis, Hertz, Record Go or Sixt are active in the market for short-term car rental services and short-term leisure car rental services at Malaga airport.²⁰⁷
- (380) Moreover no respondent to the market investigation raised any material concern as to the effect of the Transaction at Malaga airport.²⁰⁸
- (381) Overall, given the market shares of the Parties, the presence of significant competitors and the fact that no material concern was expressed during the market investigation, the Commission considers that the Transaction is unlikely to lead to any significant competition concerns for the market for short-term car rental services at Malaga airport, under any plausible segmentation.

Conclusion

- (382) In view of the above, and considering all evidence available to the Commission, the Transaction does not raise serious doubts as concerns the market for short-term car rental services at Malaga airport, under any plausible segmentation.

4.3.4.21. Malaga downtown

Table 53 - Overlaps at Malaga downtown

Overlapping market	Combined market share (%)	
	Short-term car rental services	Short-term leisure car rental services
Malaga downtown	[25-50]%	[25-50]%

- (383) The market share of the merged entity on the market for short-term car rental services would reach [25-50]%. On a plausible narrower market for short-term leisure car rental services, the combined market share of the merged entity would be [25-50]%.
- (384) Significant competitors such as Avis, Enterprise, Hertz or Sixt are active in the market for short-term car rental services and short-term leisure car rental services at Malaga downtown.²⁰⁹
- (385) Moreover no respondent to the market investigation raised any material concern as to the effect of the Transaction at Malaga downtown.²¹⁰

²⁰⁷ Form CO, Annex 27; and replies to Questionnaire 1 to market participants, question 4.5 and/or to a Request for Information by the Commission.

²⁰⁸ Replies to Questionnaire 1 to market participants, question 29.2; replies to Questionnaire 2 to airport managers, questions 15 and 18; and replies to Questionnaire 3 to customer associations, question 18.

²⁰⁹ Form CO, Annex 27; replies to Questionnaire 1 to market participants, question 4.6.

(386) Overall, given the market shares of the Parties, the presence of significant competitors and the fact that no material concern was expressed during the market investigation, the Commission considers that the Transaction is unlikely to lead to any significant competition concerns for the market for short-term car rental services at Malaga downtown, under any plausible segmentation.

Conclusion

(387) In view of the above, and considering all evidence available to the Commission, the Transaction does not raise serious doubts as concerns the market for short-term car rental services at Malaga downtown, under any plausible segmentation.

4.3.4.22. Mallorca downtown

Table 54 - Overlaps at Mallorca downtown

Overlapping market	Combined market share (%)	
	Short-term car rental services	Short-term leisure car rental services
Mallorca downtown	[0-25]%	[0-25]%

(388) The market share of the merged entity on the market for short-term car rental services would reach [0-25]%. On a plausible narrower market for short-term leisure car rental services, the combined market share of the merged entity would be [0-25]%.
 (389) Significant competitors such as Avis, Enterprise, Hertz, Hiper, OK Rent a Car, or Sixt are active in the market for short-term car rental services and short-term leisure car rental services at Mallorca downtown.²¹¹

(390) Moreover no respondent to the market investigation raised any material concern as to the effect of the Transaction at Mallorca downtown.²¹²

(391) Overall, given the market shares of the Parties, the presence of significant competitors and the fact that no material concern was expressed during the market investigation, the Commission considers that the Transaction is unlikely to lead to any significant competition concerns for the market for short-term car rental services at Mallorca downtown, under any plausible segmentation.

Conclusion

(392) In view of the above, and considering all evidence available to the Commission, the Transaction does not raise serious doubts as concerns the market for short-term car rental services at Mallorca downtown, under any plausible segmentation.

²¹⁰ Replies to Questionnaire 1 to market participants, question 29.2; replies to Questionnaire 2 to airport managers, questions 15 and 18; and replies to Questionnaire 3 to customer associations, question 18.

²¹¹ Form CO, Annex 27; replies to Questionnaire 1 to market participants, question 4.6.

²¹² Replies to Questionnaire 1 to market participants, question 29.2; replies to Questionnaire 2 to airport managers, questions 15 and 18; and replies to Questionnaire 3 to customer associations, question 18.

4.3.4.23. Menorca airport

Table 55 - Overlaps at Menorca airport

Overlapping market	Combined market share (%)	
	Short-term car rental services	Short-term leisure car rental services
Menorca airport	[25-50]%	[0-25]%

- (393) The market share of the merged entity on the market for short-term car rental services would reach [25-50]%. On a plausible narrower market for short-term leisure car rental services, the combined market share of the merged entity would be [0-25]%.
- (394) Significant competitors such as Avis, Hertz, OK Rent a Car or Ownerscars are active in the market for short-term car rental services and short-term leisure car rental services at Menorca airport.²¹³
- (395) Moreover no respondent to the market investigation raised any material concern as to the effect of the Transaction at Menorca airport.²¹⁴
- (396) Overall, given the market shares of the Parties, the presence of significant competitors and the fact that no material concern was expressed during the market investigation, the Commission considers that the Transaction is unlikely to lead to any significant competition concerns for the market for short-term car rental services at Menorca airport, under any plausible segmentation.

Conclusion

- (397) In view of the above, and considering all evidence available to the Commission, the Transaction does not raise serious doubts as concerns the market for short-term car rental services at Menorca airport, under any plausible segmentation.

²¹³ Form CO, Annex 27; and replies to Questionnaire 1 to market participants, question 4.5 and/or to a Request for Information by the Commission.

²¹⁴ Replies to Questionnaire 1 to market participants, question 29.2; replies to Questionnaire 2 to airport managers, questions 15 and 18; and replies to Questionnaire 3 to customer associations, question 18.

4.3.4.24. Murcia airport

Table 56 - Overlaps at Murcia airport

Overlapping market	Combined market share (%)	
	Short-term car rental services	Short-term leisure car rental services
Murcia airport	[25-50]%	[25-50]%

- (398) The market share of the merged entity on the market for short-term car rental services would reach [25-50]%. On a plausible narrower market for short-term leisure car rental services, the combined market share of the merged entity would be [25-50]%.²¹⁵
- (399) Significant competitors such as Centauro, Hertz, or Solmar are active in the market for short-term car rental services and short-term leisure car rental services at Murcia airport.²¹⁵
- (400) In addition, a majority of the respondents to the market investigation submitted that there will be sufficient competition post-transaction at Murcia airport to prevent the merged entity from raising prices.²¹⁶
- (401) Moreover no respondent to the market investigation raised any material concern as to the effect of the Transaction at Murcia airport.²¹⁷
- (402) Overall, given the market shares of the Parties, the presence of significant competitors, the fact that the Parties' competitors expect sufficient competition to prevent the merged entity from raising prices, and the fact that no material concern was expressed during the market investigation, the Commission considers that the Transaction is unlikely to lead to any significant competition concerns for the market for short-term car rental services at Murcia airport, under any plausible segmentation.

Conclusion

- (403) In view of the above, and considering all evidence available to the Commission, the Transaction does not raise serious doubts as concerns the market for short-term car rental services at Murcia airport, under any plausible segmentation.

²¹⁵ Form CO, Annex 27; and replies to Questionnaire 1 to market participants, question 4.5 and/or to a Request for Information by the Commission.

²¹⁶ Replies to Questionnaire 1 to market participants, question 28; replies to Questionnaire 2 to airport managers, question 16; and replies to Questionnaire 3 to customer associations, question 16.

²¹⁷ Replies to Questionnaire 1 to market participants, question 29; replies to Questionnaire 2 to airport managers, questions 15 and 17; and replies to Questionnaire 3 to customer associations, question 17.

4.3.4.25. Palma de Mallorca airport

Table 57 - Overlaps at Palma de Mallorca airport

Overlapping market	Combined market share (%)	
	Short-term car rental services	Short-term leisure car rental services
Palma de Mallorca airport	[25-50]%	[25-50]%

- (404) The market share of the merged entity on the market for short-term car rental services would reach [25-50]%. On a plausible narrower market for short-term leisure car rental services, the combined market share of the merged entity would be [25-50]%.
(405) Significant competitors such as Hertz, Record Go or Sixt are active in the market for short-term car rental services and short-term leisure car rental services at Palma de Mallorca airport.²¹⁸
(406) Moreover no respondent to the market investigation raised any material concern as to the effect of the Transaction at Palma de Mallorca airport.²¹⁹
(407) Overall, given the market shares of the Parties, the presence of significant competitors and the fact that no material concern was expressed during the market investigation, the Commission considers that the Transaction is unlikely to lead to any significant competition concerns for the market for short-term car rental services at Palma de Mallorca airport, under any plausible segmentation.

Conclusion

- (408) In view of the above, and considering all evidence available to the Commission, the Transaction does not raise serious doubts as concerns the market for short-term car rental services at Palma de Mallorca airport, under any plausible segmentation.

²¹⁸ Form CO, Annex 27; and replies to Questionnaire 1 to market participants, question 4.5 and/or to a Request for Information by the Commission.

²¹⁹ Replies to Questionnaire 1 to market participants, question 29.2; replies to Questionnaire 2 to airport managers, questions 15 and 18; and replies to Questionnaire 3 to customer associations, question 18.

4.3.4.26. Reus airport

Table 58 - Overlaps at Reus airport

Overlapping market	Combined market share (%)	
	Short-term car rental services	Short-term leisure car rental services
Reus airport	[50-75]%	[50-75]%

- (409) The market share of the merged entity on the market for short-term car rental services would reach [50-75]% at Reus airport. On a plausible narrower market for short-term leisure car rental services, the combined market share of the merged entity would be [50-75]%.
- (410) Nevertheless, despite the high combined market shares of the Parties at Reus airport, some specificities of the market for the provision of short-term car rental services need to be considered in the assessment.
- (411) First, as mentioned in section 4.1 above, the barriers to operate car rental services are low. The investment required and the time necessary to start or expand operations in a given airport are relatively low, and brokers exert competitive pressure over car rental operators. In the case of Reus airport (where Europcar operates off-airport and Goldcar operates on-airport), there remains additional commercial and parking space available so that a competitor could start to operate on-airport services relatively quickly.²²⁰
- (412) As a way of example to illustrate the market dynamics, Europcar stopped operating on-airport at Reus airport in October 2016 to resume operations immediately afterwards from a station located off-airport.
- (413) Second, significant competitors such as Hertz and Sixt are active in both the market for short-term car rental services and the short-term leisure car rental services at Reus airport.²²¹ Most of these competitors have a multi-brand portfolio addressing both corporate and leisure services, and they are closer competitor to Europcar than Goldcar.
- (414) In addition, Europcar operates off-airport, while Goldcar operates on-airport.
- (415) Third, a majority of the respondents to the market investigation having expressed an opinion submitted that there will be sufficient competition post-Transaction at Reus airport to prevent the merged entity from raising prices.²²²
- (416) Moreover no respondent to the market investigation raised any material concern as to the effect of the Transaction at Reus airport.²²³

²²⁰ See Section 4.1.4 for a description on the entry into on-airport operations in the Spanish airports managed by AENA.

²²¹ Form CO, Annex 27; replies to Questionnaire 1 to market participants, question 4.2.

²²² Replies to Questionnaire 1 to market participants, question 28.

- (417) Finally, the market for short-term car rental services at Reus airport is limited in size, with only [...] and [...] contracts reserved with Europcar and Goldcar respectively in 2016 (and even less if the market is narrowed to short-term leisure car rental services only).²²⁴
- (418) On balance, given the low barriers to entry, the market dynamics, the presence of significant close competitors, the fact that a majority of respondents to the market investigation expect sufficient competition to prevent the merged entity from raising prices, the fact that no material concern was expressed during the market investigation, and the limited size of the market for short-term car rental services at Reus airport, the Commission considers that the Transaction is unlikely to lead to any significant competition concerns for the market for short-term car rental services at Reus airport, under any plausible segmentation.

Conclusion

- (419) In view of the above, and considering all evidence available to the Commission, the Transaction does not raise serious doubts as concerns the market for short-term car rental services at Reus airport, under any plausible segmentation.

4.3.4.27. Sancti Petri downtown

Table 59 - Overlaps at Sancti Petri downtown

Overlapping market	Combined market share (%)	
	Short-term car rental services	Short-term leisure car rental services
Sancti Petri downtown	[50-75]%	[50-75]%

- (420) The market share of the merged entity on the market for short-term car rental services would reach [50-75]%. On a plausible narrower market for short-term leisure car rental services, the combined market share of the merged entity would be [50-75]%.
 (421) Nevertheless, despite the high combined market shares of the Parties at Sancti Petri, some specificities of the market for the provision of short-term car rental services need to be considered in the assessment.
 (422) First, as mentioned in section 4.1 above, the barriers to operate car rental services are low. The investment required and the time necessary to start or expand operations in a given location are relatively low, and brokers exert competitive pressure over car rental operators. In the case of downtown locations, barriers to entry are even lower than at airports, since there generally more commercial and parking space available downtown, and no licence fees are due.

²²³ Replies to Questionnaire 1 to market participants, question 29; replies to Questionnaire 2 to airport managers, questions 15 and 17; and replies to Questionnaire 3 to customer associations, questions 17.

²²⁴ Europcar's replies to RFI-5 of 9 November 2017.

- (423) In the particular case of Sancti Petri, Europcar has provided evidence of sufficient commercial space available in the same shopping centre where the Parties, Avis, Sixt and Albitana have their car rental stations (Novocener).²²⁵
- (424) Second, significant competitors such as Avis or Sixt are active in the market for short-term car rental services and short-term leisure car rental services at Sancti Petri downtown.²²⁶ Most of these competitors have a multi-brand portfolio addressing both corporate and leisure services, and they are considered closer competitor to Europcar than Goldcar.
- (425) Third, no respondent to the market investigation raised any material concern as to the effect of the Transaction at Sancti Petri downtown.²²⁷
- (426) Finally, the market for short-term car rental services at Sancti Petri downtown is limited in size, with only [...] and [...] contracts reserved with Europcar and Goldcar respectively in 2016 (and even less if the market is narrowed to short-term leisure car rental services).²²⁸
- (427) Overall, given the low barriers to entry, the presence of significant close competitors, the fact that no material concern was expressed during the market investigation, and the limited size of the market for short-term car rental services at Sancti Petri, the Commission considers that the Transaction is unlikely to lead to any significant competition concerns for the market for short-term car rental services at Sancti Petri, under any plausible segmentation.

Conclusion

- (428) In view of the above, and considering all evidence available to the Commission, the Transaction does not raise serious doubts as concerns the market for short-term car rental services at Sancti Petri downtown, under any plausible segmentation.

4.3.4.28. Santander airport

Table 60 - Overlaps at Santander airport

Overlapping market	Combined market share (%)	
	Short-term car rental services	Short-term leisure car rental services
Santander airport	[25-50]%	[25-50]%

- (429) The market share of the merged entity on the market for short-term car rental services would reach [25-50]%. On a plausible narrower market for short-term

²²⁵ See Competitive assessment submitted by the Parties to the Commission on 16 November 2016.

²²⁶ Form CO, Annex 27; replies to Questionnaire 1 to market participants, question 4.6

²²⁷ Replies to Questionnaire 1 to market participants, question 29.2; replies to Questionnaire 2 to airport managers, questions 15 and 18; and replies to Questionnaire 3 to customer associations, question 18.

²²⁸ Europcar's replies to RFI-5 of 9 November 2017.

leisure car rental services, the combined market share of the merged entity would be [25-50]%.

- (430) Significant competitors such as Avis, Enterprise or Hertz are active in the market for short-term car rental services and short-term leisure car rental services at Santander airport.²²⁹
- (431) Moreover no respondent to the market investigation raised any material concern as to the effect of the Transaction at Santander airport.²³⁰
- (432) Overall, given the market shares of the Parties, the presence of significant competitors and the fact that no material concern was expressed during the market investigation, the Commission considers that the Transaction is unlikely to lead to any significant competition concerns for the market for short-term car rental services at Santander airport, under any plausible segmentation.

Conclusion

- (433) In view of the above, and considering all evidence available to the Commission, the Transaction does not raise serious doubts as concerns the market for short-term car rental services at Santander airport, under any plausible segmentation.

4.3.4.29. Santiago airport

Table 61 - Overlaps at Santiago airport

Overlapping market	Combined market share (%)	
	Short-term car rental services	Short-term leisure car rental services
Santiago airport	[25-50]%	[25-50]%

- (434) The market share of the merged entity on the market for short-term car rental services would reach [25-50]%. On a plausible narrower market for short-term leisure car rental services, the combined market share of the merged entity would be [25-50]%.
- (435) Significant competitors such as Avis, Enterprise or Hertz are active in the market for short-term car rental services and short-term leisure car rental services at Santiago airport.²³¹
- (436) In addition, a majority of the respondents to the market investigation submitted that there will be sufficient competition post-transaction at Santiago airport to prevent the merged entity from raising prices.²³²

²²⁹ Form CO, Annex 27; and replies to Questionnaire 1 to market participants, question 4.5 and/or to a Request for Information by the Commission.

²³⁰ Replies to Questionnaire 1 to market participants, question 29.2; replies to Questionnaire 2 to airport managers, questions 15 and 18; and replies to Questionnaire 3 to customer associations, question 18.

²³¹ Form CO, Annex 27; and replies to Questionnaire 1 to market participants, question 4.5 and/or to a Request for Information by the Commission.

- (437) Moreover no respondent to the market investigation raised any material concern as to the effect of the Transaction at Santiago airport.²³³
- (438) Overall, given the market shares of the Parties, the presence of significant competitors, the fact that the Parties' competitors expect sufficient competition to prevent the merged entity from raising prices, and the fact that no material concern was expressed during the market investigation, the Commission considers that the Transaction is unlikely to lead to any significant competition concerns for the market for short-term car rental services at Santiago airport, under any plausible segmentation.

Conclusion

- (439) In view of the above, and considering all evidence available to the Commission, the Transaction does not raise serious doubts as concerns the market for short-term car rental services at Santiago airport, under any plausible segmentation.

4.3.4.30. Seville airport

Table 62 - Overlaps at Seville airport

Overlapping market	Combined market share (%)	
	Short-term car rental services	Short-term leisure car rental services
Seville airport	[25-50]%	[25-50]%

- (440) The market share of the merged entity on the market for short-term car rental services would reach [25-50]%. On a plausible narrower market for short-term leisure car rental services, the combined market share of the merged entity would be [25-50]%.
- (441) Significant competitors such as Avis, Enterprise, Hertz or Sixt or are active in the market for short-term car rental services and short-term leisure car rental services at Seville airport.²³⁴
- (442) In addition, a majority of the respondents to the market investigation submitted that there will be sufficient competition post-transaction at Seville airport to prevent the merged entity from raising prices.²³⁵
- (443) Moreover no respondent to the market investigation raised any material concern as to the effect of the Transaction at Seville airport.²³⁶

²³² Replies to Questionnaire 1 to market participants, question 28; replies to Questionnaire 2 to airport managers, question 16; and replies to Questionnaire 3 to customer associations, question 16.

²³³ Replies to Questionnaire 1 to market participants, question 29; replies to Questionnaire 2 to airport managers, questions 15 and 17; and replies to Questionnaire 3 to customer associations, question 17.

²³⁴ Form CO, Annex 27; and replies to Questionnaire 1 to market participants, question 4.5 and/or to a Request for Information by the Commission.

²³⁵ Replies to Questionnaire 1 to market participants, question 28; replies to Questionnaire 2 to airport managers, question 16; and replies to Questionnaire 3 to customer associations, question 16.

(444) Overall, given the market shares of the Parties, the presence of significant competitors, the fact that the Parties' competitors expect sufficient competition to prevent the merged entity from raising prices, and the fact that no material concern was expressed during the market investigation, the Commission considers that the Transaction is unlikely to lead to any significant competition concerns for the market for short-term car rental services at Seville airport, under any plausible segmentation.

Conclusion

(445) In view of the above, and considering all evidence available to the Commission, the Transaction does not raise serious doubts as concerns the market for short-term car rental services at Seville airport, under any plausible segmentation.

4.3.4.31. Seville downtown

Table 63 - Overlaps at Seville downtown

Overlapping market	Combined market share (%)	
	Short-term car rental services	Short-term leisure car rental services
Seville downtown	[25-50]%	[25-50]%

(446) The market share of the merged entity on the market for short-term car rental services would reach [25-50]%. On a plausible narrower market for short-term leisure car rental services, the combined market share of the merged entity would be [25-50]%.²³⁶

(447) Significant competitors such as Avis, Enterprise, Hertz or Sixt are active in the market for short-term car rental services and short-term leisure car rental services at Seville downtown.²³⁷

(448) Moreover no respondent to the market investigation raised any material concern as to the effect of the Transaction at Seville downtown.²³⁸

(449) Overall, given the market shares of the Parties, the presence of significant competitors and the fact that no material concern was expressed during the market investigation, the Commission considers that the Transaction is unlikely to lead to any significant competition concerns for the market for short-term car rental services at Seville downtown, under any plausible segmentation.

²³⁶ Replies to Questionnaire 1 to market participants, question 29; replies to Questionnaire 2 to airport managers, questions 15 and 17; and replies to Questionnaire 3 to customer associations, question 17.

²³⁷ Form CO, Annex 27; replies to Questionnaire 1 to market participants, question 4.6.

²³⁸ Replies to Questionnaire 1 to market participants, question 29.2; replies to Questionnaire 2 to airport managers, questions 15 and 18; and replies to Questionnaire 3 to customer associations, question 18.

Conclusion

(450) In view of the above, and considering all evidence available to the Commission, the Transaction does not raise serious doubts as concerns the market for short-term car rental services at Seville downtown, under any plausible segmentation.

4.3.4.32. Tenerife North airport

Table 64 - Overlaps at Tenerife North airport

Overlapping market	Combined market share (%)	
	Short-term car rental services	Short-term leisure car rental services
Tenerife North airport	[25-50]%	[0-25]%

(451) The market share of the merged entity on the market for short-term car rental services would reach [25-50]%. On a plausible narrower market for short-term leisure car rental services, the combined market share of the merged entity would be [0-25]%.

(452) Significant competitors such as AutoReisen, Avis, Cicar, or Hertz are active in the market for short-term car rental services and short-term leisure car rental services at Tenerife North airport.²³⁹

(453) Moreover no respondent to the market investigation raised any material concern as to the effect of the Transaction at Tenerife North airport.²⁴⁰

(454) Overall, given the market shares of the Parties, the presence of significant competitors and the fact that no material concern was expressed during the market investigation the Commission considers that the Transaction is unlikely to lead to any significant competition concerns for the market for short-term car rental services at Tenerife North airport, under any plausible segmentation.

Conclusion

(455) In view of the above, and considering all evidence available to the Commission, the Transaction does not raise serious doubts as concerns the market for short-term car rental services at Tenerife North airport, under any plausible segmentation.

²³⁹ Form CO, Annex 27; and replies to Questionnaire 1 to market participants, question 4.5 and/or to a Request for Information by the Commission.

²⁴⁰ Replies to Questionnaire 1 to market participants, question 29.2; replies to Questionnaire 2 to airport managers, questions 15 and 18; and replies to Questionnaire 3 to customer associations, question 18.

4.3.4.33. Tenerife South airport

Table 65 - Overlaps at Tenerife South airport

Overlapping market	Combined market share (%)	
	Short-term car rental services	Short-term leisure car rental services
Tenerife South airport	[25-50]%	[25-50]%

- (456) The market share of the merged entity on the market for short-term car rental services would reach [25-50]%. On a plausible narrower market for short-term leisure car rental services, the combined market share of the merged entity would be [25-50]%.
(457) Significant competitors such as AutoReisen, Avis, or Hertz are active in the market for short-term car rental services and short-term leisure car rental services at Tenerife South airport.²⁴¹
(458) Moreover no respondent to the market investigation raised any material concern as to the effect of the Transaction at Tenerife South airport.²⁴²
(459) Overall, given the market shares of the Parties, the presence of significant competitors and the fact that no material concern was expressed during the market investigation, the Commission considers that the Transaction is unlikely to lead to any significant competition concerns for the market for short-term car rental services at Tenerife South airport, under any plausible segmentation.

Conclusion

- (460) In view of the above, and considering all evidence available to the Commission, the Transaction does not raise serious doubts as concerns the market for short-term car rental services at Tenerife South airport, under any plausible segmentation.

²⁴¹ Form CO, Annex 27; and replies to Questionnaire 1 to market participants, question 4.5 and/or to a Request for Information by the Commission.

²⁴² Replies to Questionnaire 1 to market participants, question 29.2; replies to Questionnaire 2 to airport managers, questions 15 and 18; and replies to Questionnaire 3 to customer associations, question 18.

4.3.4.34. Valencia airport

Table 66 - Overlaps at Valencia airport

Overlapping market	Combined market share (%)	
	Short-term car rental services	Short-term leisure car rental services
Valencia airport	[25-50]%	[25-50]%

- (461) The market share of the merged entity on the market for short-term car rental services would reach [25-50]%. On a plausible narrower market for short-term leisure car rental services, the combined market share of the merged entity would be [25-50]%.
- (462) Significant competitors such as Avis, Centauro, Hertz or Sixt Enterprise are active in the market for short-term car rental services and short-term leisure car rental services at Valencia airport.²⁴³
- (463) Moreover no respondent to the market investigation raised any material concern as to the effect of the Transaction at Valencia airport.²⁴⁴
- (464) Overall, given the market shares of the Parties, the presence of significant competitors and the fact that no material concern was expressed during the market investigation, the Commission considers that the Transaction is unlikely to lead to any significant competition concerns for the market for short-term car rental services at Valencia airport, under any plausible segmentation.

Conclusion

- (465) In view of the above, and considering all evidence available to the Commission, the Transaction does not raise serious doubts as concerns the market for short-term car rental services at Valencia airport, under any plausible segmentation.

²⁴³ Form CO, Annex 27; and replies to Questionnaire 1 to market participants, question 4.5 and/or to a Request for Information by the Commission.

²⁴⁴ Replies to Questionnaire 1 to market participants, question 29.2; replies to Questionnaire 2 to airport managers, questions 15 and 18; and replies to Questionnaire 3 to customer associations, question 18.

4.3.4.35. Valencia downtown

Table 67 - Overlaps at Valencia downtown

Overlapping market	Combined market share (%)	
	Short-term car rental services	Short-term leisure car rental services
Valencia downtown	[0-25]%	[0-25]%

- (466) The market share of the merged entity on the market for short-term car rental services would reach [0-25]%. On a plausible narrower market for short-term leisure car rental services, the combined market share of the merged entity would be [0-25]%.
(467) Significant competitors such as Avis, Enterprise, Hertz or Sixt are active in the market for short-term car rental services and short-term leisure car rental services at Valencia downtown.²⁴⁵
(468) Moreover no respondent to the market investigation raised any material concern as to the effect of the Transaction at Valencia downtown.²⁴⁶
(469) Overall, given the market shares of the Parties, the presence of significant competitors and the fact that no material concern was expressed during the market investigation, the Commission considers that the Transaction is unlikely to lead to any significant competition concerns for the market for short-term car rental services at Valencia downtown, under any plausible segmentation.

Conclusion

- (470) In view of the above, and considering all evidence available to the Commission, the Transaction does not raise serious doubts as concerns the market for short-term car rental services at Valencia downtown, under any plausible segmentation.

4.4. Coordinated effects

- (471) According to the Horizontal Merger Guidelines, coordination is more likely to emerge in markets where it is relatively simple to reach a common understanding on the terms of coordination. In addition, three conditions are necessary for coordination to be sustainable. First, the coordinating firms must be able to monitor to a sufficient degree whether the terms of coordination are being adhered to. Second, discipline requires that there is some form of credible deterrent mechanism that can be activated if deviation is detected. Third, the reactions of outsiders, such as current and future competitors not participating in

²⁴⁵ Form CO, Annex 27; replies to Questionnaire 1 to market participants, question 4.6.

²⁴⁶ Replies to Questionnaire 1 to market participants, question 29.2; replies to Questionnaire 2 to airport managers, questions 15 and 18; and replies to Questionnaire 3 to customer associations, question 18.

the coordination, as well as customers, should not be able to jeopardise the results expected from the coordination.²⁴⁷

- (472) The Commission considers that the Transaction does not affect the market structure in such a way that the conditions for coordination would be fulfilled post-Transaction.
- (473) First, at national level, the combined market shares of the Parties remain below 30% in the four overlapping countries. Even post-Transaction, the market for car rental services remains characterised by the presence of a large number of players.²⁴⁸ Considering that the Transaction does only marginally increase the level of concentration on the market for car rental services at national level, the Commission considers it unlikely that the Transaction has a substantial impact on the likelihood of coordinated effects.
- (474) Second, car rental companies distribute a material part of their services to leisure customers through brokers. The latter purchase large volumes from car rental operators before re-selling their services to the end customers.²⁴⁹ The significant role played by brokers acting as resellers reduces the likelihood of coordination for three reasons: (i) brokers have business models different from car rental companies and are unlikely to adopt the same behaviour as them; (ii) by negotiating prices and discounts bilaterally with car rental operators, brokers make any monitoring of the intermediary prices agreed on with car rental companies more difficult; (iii) brokers, which may have a strong countervailing buyer power, may make coordination more unstable.
- (475) Third, thanks to low barriers to entry, the entry or expansion of competitors not participating in the coordination is relatively easy and could jeopardise any previously existing coordination.²⁵⁰
- (476) Fourth, the demand for car rental services by leisure customers is not only seasonal but also volatile, as is the traffic at airports where those services are provided. The prices of those services are also regularly modified based on the yield management practices of car rental companies, creating an unstable economic environment less prone to coordination.
- (477) In view of the above, the Commission considers that the Transaction would not change the nature of competition in such a way that car rental operators could coordinate and raise the price for their services.
- (478) Therefore, considering all evidence available to the Commission, the Transaction does not raise serious doubts as concerns the coordinated effects on the market for short-term car rental services, under any plausible segmentation.

²⁴⁷ Horizontal Merger Guidelines, paragraph 41.

²⁴⁸ See section 4.1.1 for a detailed description of the market structure.

²⁴⁹ See section 4.1.3 for a detailed description of the role played by brokers.

²⁵⁰ See section 4.1 for a detailed description of the market structure, the role of brokers, and the barriers to entry.

5. CONCLUSION

(479) For the above reasons, the European Commission has decided not to oppose the notified operation and to declare it compatible with the internal market and with the EEA Agreement. This decision is adopted in application of Article 6(1)(b) of the Merger Regulation.

For the Commission

(Signed)

*Margrethe VESTAGER
Member of the Commission*