

Brussels, 21 February 2000

Commission approves takeover of Europcar International S.A. by Volkswagen AG

The European Commission has approved an operation by which Volkswagen AG (VW AG) acquires sole control of Europcar International S.A. (Europcar). So far Europcar was jointly controlled by VW AG and Compagnie Internationale des Wagons-Lits et du Tourisme S.A., a wholly-owned subsidiary of Accor S.A. VW AG is active in the manufacturing and in the distribution of motor vehicles, Europcar in the rental of motor vehicles. The concentration does not lead to market share additions in any of the markets concerned. Even when considering the vertical overlaps the concentration does not lead to a dominant position of VW/Europcar on the rental market. In view of the Commission the operation therefore raises no competition concerns.

VW AG is mainly active in the fields of manufacture and distribution of passenger cars and commercial motor vehicles and financial services in connection with the distribution and financing of passenger cars and commercial motor vehicles.

Europcar is active in various Member States of the EEA in the short- and long-term rental of motor vehicles.

The transition from joint to sole control of VW AG over Europcar does not create a dominant position of Europcar on the car rental market. Europcar' position -in the absence of dominance in any national market concerned- remains unchanged. On the upstream market for the manufacture and distribution of motor vehicles VW AG faces strong competition from internationally operating companies with significant market shares. The transition from joint to sole control will not significantly change VW AG's possibilities to give preferential treatment to Europcar as opposed to its competitors. Considering the market shares of Europcar on the car rental market, such possibilities could not lead to a market foreclosure effect producing a dominant position of Europcar. The Commission therefore has decided to approve the operation.