



EUROPEAN COMMISSION

Competition DG

Policy and Strategy
Strategy and Delivery

OPINION

of the ADVISORY COMMITTEE on MERGERS

given at its meeting of 21 May 2008

regarding a draft decision relating to

CASE COMP/M.4513 – Arjowiggins/Zanders

Rapporteur : PORTUGAL

1. The Advisory Committee agrees with the Commission that the notified operation constitutes a concentration within the meaning of the Merger Regulation (EEC) No 139/2004.
2. The Advisory Committee agrees with the Commission that although the notified operation does not have a community dimension within the meaning of article 1 of the Merger Regulation, it is capable of being reviewed under the national competition law in at least three Member States and can therefore be examined by the Commission pursuant to Article 4 (5) of the Merger Regulation.
3. The Advisory Committee agrees with the Commission's position on the relevant product markets definitions relating to :
 - a) carbonless paper (leaving open whether the market should be subdivided into reels and sheets).
 - b) industrial tracing paper.
 - c) graphic tracing paper.
 - d) premium fine paper with a potential subdivision of premium letterhead.
 - e) paper distribution (leaving open whether the market should be subdivided including all distribution channels or just the sale of paper by wholesalers).
4. The Advisory Committee agrees with the Commission's findings regarding the geographical scope of the above identified product markets relating to:
 - a) carbonless paper (leaving open whether the geographical scope should be national or EEA-wide whether the product market should be subdivided or not).

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- b) industrial tracing paper (leaving open whether the geographical scope should be EEA-wide or worldwide).
 - c) graphic tracing paper (leaving open whether the geographical scope should be EEA-wide or worldwide).
 - d) premium fine paper with a potential subdivision of premium letterhead as with a geographical EEA-wide scope.
 - e) paper distribution (leaving open whether the geographical scope should be national or EEA-wide whether the product market should be subdivided or not).
5. The Advisory Committee agrees with the Commission that the proposed concentration significantly impedes effective competition in the carbonless paper markets under the product and geographic market definitions examined in the draft decision.
6. The majority of the Advisory Committee agrees with the Commission that the proposed concentration does not significantly impede effective competition in the following markets regarding to its product and geographical scope above identified relating to:
- a. industrial tracing paper.
 - b. graphic tracing paper.
 - c. premium fine paper with a potential subdivision of premium letterhead.
 - d. paper distribution.

A minority disagrees with points 6a and 6b.

7. The Advisory Committee agrees with the Commission that the proposed remedies eliminate the significant impediment to effective competition in the carbonless paper markets.
8. The majority of the Advisory Committee agrees with the Commission that the proposed concentration should be declared compatible with the Common Market and with the EEA Agreement subject to the divestiture of the carbonless paper business as stipulated by the remedies. A minority abstains.

<u>BELGIË/BELGIOUE</u>	<u>BULGARIA</u>	<u>ČESKÁ REPUBLIKA</u>	<u>DANMARK</u>	<u>DEUTSCHLAND</u>
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