

Disclaimer :

The Competition DG makes the information provided by the notifying parties in section 1.2 of Form CO available to the public in order to increase transparency. This information has been prepared by the notifying parties under their sole responsibility, and its content in no way prejudices the view the Commission may take of the planned operation. Nor can the Commission be held responsible for any incorrect or misleading information contained therein.

M.7316 - DET NORSKE OLJESELSKAP/ MARATHON OIL NORGE

SECTION 1.2

Description of the concentration

The proposed concentration concerns the acquisition by Det norske oljeselskap ASA (publ.) (“Det norske”) of 100% of the shares in Marathon Oil Norge AS (Marathon”).

Det norske and Marathon are oil and gas companies involved exploration and production activities on the Norwegian Continental Shelf. Whereas there is some horizontal overlap between the parties on the downstream E&P markets, the parties’ combined market share is very limited, globally as well as regionally. Consequently, the concentration does not give rise to any horizontally affected markets.

Det norske is ultimately controlled by Aker ASA (publ.) (“Aker”). Aker also indirectly controls certain companies that provide products and services to E&P companies such as Marathon, namely Aker Solutions ASA (publ.) (“Aker Solutions”), Kværner ASA (publ.) and Align AS (“Align”). As such, there exist several vertical market relations between the notifying party’s corporate group and Marathon.

All of the identified upstream markets are vertically related to the downstream markets for crude oil development, production and sale and natural gas development, production and sale where Det norske and Marathon are active. Crude oil and natural gas are produced from the same fields and by using the same installations. Furthermore, maintenance and modification services are relevant to the on-going production of both oil and gas. Accordingly, it is not considered relevant by the notifying party to make any distinctions between these two downstream markets when identifying relevant vertical market relations.

As Aker Solutions market share may in some instances exceed 30%, the concentration is presumed to give rise to the following vertically affected markets:

Upstream market (Aker Solutions)	Downstream market (Marathon)
The global market for sale of steel tube umbilicals	The global market for development, production and sale of crude oil
	The regional market for development, production and sale of natural gas
The global market for sale of subsea controls	The global market for development, production and sale of crude oil
	The regional market for development, production and sale of natural gas
The NCS-wide market for the provision of modification, maintenance and operation services	The global market for development, production and sale of crude oil
	The regional market for development, production and sale of natural gas

Due to Det norske and Marathon's limited market position on any relevant downstream market, and the presence of strong competitors and customers with significant buying power in all markets where vertical relations exist, the concentration is assumed not to give rise to any adverse horizontal or vertical effects on competition.