

***Case No IV/M.1170 - \*\*  
DAN TRANSPORT /  
INTER FORWARD***

Only the English text is available and authentic.

**REGULATION (EEC) No 4064/89  
MERGER PROCEDURE**

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Article 6(1)(b) NON-OPPOSITION  
Date: 25/05/1998

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COMMISSION OF THE EUROPEAN COMMUNITIES

Brussels, 25-05-1998

PUBLIC VERSION

MERGER PROCEDURE  
ARTICLE 6(1)(b) DECISION

To the notifying party (or parties)

Dear Sirs,

**Subject: Case No IV/M.1170 - DAN TRANSPORT/INTER FORWARD**

Notification of 23.04.1998 pursuant to Article 4 of Council Regulation No 4064/89 as amended by Council Regulation No 1310/97.

1. On 23.04.1998 the Commission received a notification of a proposed concentration pursuant to Article 4 of Council Regulation (EEC) No 4064/89 as amended by Council Regulation (EEC) 1310/97 ("the Merger Regulation") by which Dan Transport Holding A/S ("Dan Transport"), Denmark, acquires within the meaning of Article 3(1)(b) of the Merger Regulation control of Inter Forward in Stockholm AB ("Inter Forward"), Sweden.

**I. THE PARTIES**

2. Dan Transport is the parent company of a group of companies engaged in domestic and international forwarding by road, rail, sea and air and logistics. The group also operates a business travel agency and a sightseeing business.
3. Inter Forward is active in forwarding services by road.

**II. THE OPERATION AND THE CONCENTRATION**

4. Dan Transport will acquire sole control of Inter Forward and its subsidiaries by way of purchase of all outstanding shares. The operation is a concentration within the meaning of Article 3(1)(b) of the Merger Regulation. It is not a co-operation case under the EEA Agreement.

**III. COMMUNITY DIMENSION**

5. The combined aggregate world-wide turnover of the undertakings concerned exceeded 2,500 million ECU in 1997 (Dan Transport: 2,927 million ECU; Inter Forward 269 million ECU). The combined aggregate turnover of the undertakings was more than 100 million ECU in each of at least three Member States. The aggregate turnover of each of the undertakings concerned was more than 25 million ECU in at least three Member States (in Sweden Dan Transport's turnover was 175 million ECU and Inter Forward's was 151 million ECU; in the United Kingdom Dan Transport's turnover was 221 million ECU and Inter Forward's was 26.7 million ECU; in France Dan Transport's turnover was 72 million ECU and Inter Forward's was 36.4 million ECU). The aggregate Community-wide turnover of each of the two undertakings was more than 100 million ECU (Dan Transport: 1,436 million ECU; Inter Forward: 249 million ECU). Furthermore, none of the parties to the concentration achieves more than two thirds of their turnover in any Member State. The notified operation therefore has a Community dimension according to Article 1(3) of the Merger Regulation.

#### **IV. COMPATIBILITY WITH THE COMMON MARKET**

##### **a) Relevant product markets**

6. The proposed concentration concerns road forwarding services. The market for land transport was examined by the Commission in case IV/M.1056 - Stinnes/BTL. In that case it was found that international and domestic forwarding (transport) services by land were separate relevant product markets. In the present case some third parties indicated that the distinction between domestic and an international road forwarding markets will gradually disappear as the importance of national borders decreases. However, overall the Commission investigation confirmed that domestic and international road forwarding services are separate relevant product markets.
7. In case IV/M.1056 - Stinnes/BTL the question was raised whether rail and road forwarding were part of an overall market for land based forwarding (transport) services. However, this questions was left open, since it was not necessary to finally decide this question. In the present case this question can also be left open since, even on the narrowest possible market definition, the concentration does not create or strengthen a dominant position as a result of which effective competition would be significantly impeded in the EEA or any substantial part of that area.

##### **(b) Relevant geographic markets**

8. In case IV/M.1056 - Stinnes/BTL, it was established that the relevant geographic market in international land based forwarding services is appropriately defined by considering routes or bundles of routes that are substitutable, e.g. routes between Sweden and Germany or even narrower areas such as Benelux ports and Southern Sweden. The definition of the relevant geographic market was however left open in that case.
9. In the present case the geographic market definition can be left open both for domestic and international forwarding services since, even on the narrowest possible market definition, the concentration does not create or strengthen a

dominant position as a result of which effective competition would be significantly impeded in the EEA or any substantial part of that area.

## **V. COMPETITIVE ASSESSMENT**

10. The concentration will result in market share additions on the domestic Swedish road forwarding market, as well as on several international road forwarding routes. However, the combined market share will not exceed 25% on any market. Furthermore, a large number of competitors will remain in the market. Some of these competitors, such as BTL and ASG, will continue to be bigger than the combined Dan Transport/Inter Forward operations. Therefore, the operation does not lead to the creation or strengthening of a dominant position as a result of which competition would be significantly impeded in the common market or a substantial part of it.

## **VI. CONCLUSION**

11. For the above reasons, the Commission has decided not to oppose the notified operation and to declare it compatible with the common market and with the functioning of the EEA Agreement. This decision is adopted in application of Article 6(1)(b) of Council Regulation (EEC) No. 4064/89 as amended by Regulation 1310/97.

For the Commission