

***Case No COMP/M.5050 -
EATON / MOELLER***

Only the English text is available and authentic.

**REGULATION (EC) No 139/2004
MERGER PROCEDURE**

Article 6(1)(b) NON-OPPOSITION
Date: 01/04/2008

***In electronic form on the EUR-Lex website under document
number 32008M5050***



COMMISSION OF THE EUROPEAN COMMUNITIES

Brussels, 01-IV-2008

SG-Greffe(2008) D/201485

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PUBLIC VERSION

MERGER PROCEDURE
ARTICLE 6(1)(b) DECISION

To the notifying party

Dear Sir/Madam,

**Subject: Case No COMP/M.5050 – Eaton/ Moeller
Notification of 25/02/2008 pursuant to Article 4 of Council Regulation
No 139/2004¹**

1. On 25.02.2008, the Commission received a notification of a proposed concentration by which the undertaking Eaton Corporation ("Eaton", USA) acquires sole control of the whole of Moeller Holding GmbH ("Moeller", Germany) by way of purchase of shares.

I. THE PARTIES

2. Eaton is a diversified industrial company listed on the New York Stock Exchange. Eaton has four main business units: (i) electrical; (ii) fluid power; (iii) truck; and (iv) automotive. Eaton's electrical division manufactures electrical products under brand names such as Powerware, Cutler-Hammer, Durant, Heinemann, Holec and MEM, and serves the industrial, utility, light commercial, residential, IT and original equipment manufacturer ("OEM") markets worldwide.
3. Moeller, based in Germany, is engaged in the development, manufacture and sale of electrical engineering components and devices (i.e., Low Voltage ("LV") electrical distribution and automation components for industrial, commercial and residential

¹ OJ L 24, 29.1.2004 p. 1.

use). The company focuses on four core business areas, namely command and control devices, motor starters and drives, circuit breakers, and building automation.

II. THE TRANSACTION

4. Currently, Moeller's shares are held by Doughty Hanson & Co. Limited, a private equity firm. Upon completion of the transaction, Eaton will acquire sole control of Moeller through the acquisition of its shares. Consequently, the proposed transaction constitutes a concentration under the terms of the Merger Regulation.

III. COMMUNITY DIMENSION

5. The undertakings concerned have a combined aggregate worldwide turnover of more than EUR 5 000 million (Eaton: EUR 10 384 million; Moeller: EUR 960 million) and at least two have a Community-wide turnover in excess of EUR 250 million (Eaton: EUR [...]; Moeller: EUR [...]) in 2006. None of the parties achieves more than two thirds of its Community wide turnover in any Member State. Therefore, the present transaction has a Community dimension pursuant to Article 1(2) of the Merger Regulation.

IV. RELEVANT MARKETS

6. The proposed concentration concerns the production and distribution of LV electrical equipment and components.

A) Relevant product markets

Distribution boards and final panelboards

7. Distribution boards² are used to control electricity distribution on a floor of a large commercial building and are thus, within the electricity distribution system, situated downstream of the main switchboard. Distribution boards generally consist of a number of components.
8. Final panelboards are the last stage in the electricity distribution protection and handling system. Final panelboards are generally situated at the level of an individual dwelling or small group of offices. In contrast to main switchboards and distribution boards, final panelboards are generally installed in such a way as to be accessible to non-professionals and are therefore required to meet stricter protection standards. Final panelboards generally consist of a number of components too.

² A distribution board divides the electrical mains feed into various circuits, providing a fuse or circuit breaker for each circuit.

9. In previous decisions³, the Commission concluded that the wider market for LV switchboards should be subdivided into three further categories, corresponding to different levels of electricity distribution: (i) main switchboards (for connecting large industrial or commercial buildings to the medium-voltage network), (ii) distribution boards (typically used for floors in buildings) and (iii) final panelboards (for end users with low energy requirements, such as the occupant of an apartment).

Circuit breakers (MCCBs and MCBs)

10. Circuit breakers are electromagnetic and thermal devices whose function is to protect the electrical installation against any overcurrent or short circuit. MCCBs (Moulded Case Circuit Brakers) are used mainly as outgoing in main switchboards or as incomers in distribution boards, while MCBs (Miniature Circuit Brakers) are used as outgoing in distribution boards or in final panelboards.
11. In previous decisions, the Commission analysed MCCBs and MCBs and found that they should be regarded as separate product markets. Furthermore, when analysing MCCBs and MCBs as components for LV switchboards, the Commission has further distinguished between (i) MCCBs for main switchboards; (ii) MCCBs for distribution boards; (iii) MCBs for distribution boards; and (iv) MCBs for final panelboards.⁴
12. With regard to MCCBs, the product market definition submitted by the notifying party is in line with the previous Commission's decisions.
13. With regard to MCBs, the notifying party submits that the relevant product market should comprise all MCBs, without any distinction depending on the device in which they are incorporated. The notifying party argues that all MCBs are similar in size, characteristics and functionality, and are suitable for use in all products. These views were confirmed by the majority of the respondents to the market investigation.
14. However, the question of the exact product market definition for MCBs can be left open for the case at hand, since this does not affect the result of the competitive assessment.

Distribution board cabinets and enclosures for final panelboards

15. Cabinets and enclosures are metal or plastic items designed to protect the electrical components incorporated into LV switchboards (i.e., distribution boards, final panelboards). Cabinets and enclosures house the electrical switchboard, and switchboard components used for mounting and holding electrical components are added to them.
16. In its previous decisions, the Commission has considered that each of (i) distribution board cabinets and (ii) enclosures for final panelboards may be regarded as separate

³ Case M. 2283, *Schneider/Legrand*. Although the Commission Decision was annulled by the Court of First Instance ("CFI") in Case T-77/02 *Schneider Electric v Commission* [2002] ECR II-4071) the market definitions were not contested before the CFI and, therefore, are not concerned by the annulment.

⁴ Case M. 2283, *Schneider/Legrand*

product markets.⁵ However, the question of the exact product market definition can be left open for the case at hand, since this does not affect the result of the competitive assessment.

Earth leakage protection

17. Earth leakage protection devices are devices whose function is to protect the life of a user in the event of accidental contact, or to protect equipment and property in the event of a faulty connection to earth. The product is often used in final panelboards, but is also used in other products where the possibility of accidental contact of live electrical parts to earth exists. A small number of earth leakage protection devices are used in distribution boards.
18. In line with previous Commission decisions, the notifying party submits that earth leakage protection should be regarded as a separate product market.⁶ Therefore, for the purpose of the present case, the relevant product market is considered to consist of earth leakage protection devices.

Pushbuttons

19. Pushbuttons are control switches with a device designed for operation by part of the human body, and equipped with a spring return.
20. In its previous decisions, the Commission has found that pushbuttons are part of the broader category of products known as controlling and signalling units, i.e., mechanical connection equipment designed to operate apparatus. However, the Commission has not reached a conclusion as to whether all controlling and signalling units comprise a single product market, or whether each product category constitutes a separate product market.⁷
21. The notifying party submits that the relevant product market definition should comprise only pushbuttons. The question of the exact product market definition can be left open for the case at hand since the parties' controlling and signalling units overlap on only pushbuttons and the proposed transaction does not give rise to any affected market under a broader product market definition.

LV industrial contactors

22. An LV industrial contactor is an electrically controlled switch (relay) used for switching power circuits.
23. In line with previous Commission decisions, the notifying party submits that LV industrial contactors constitute a separate product market⁸. Therefore, for the

⁵ Case M. 2283, *Schneider/Legrand*

⁶ Case M. 2283, *Schneider/Legrand*

⁷ Case M. 2283, *Schneider/Legrand*

⁸ Case M. 3347, *Schneider Electric/MGE-UPS*

purpose of the present case, the relevant product market is considered to consist of LV industrial contactors.

Softstarters

24. A softstarter is a device used with alternating current ("AC") electric motors to temporarily reduce the load and torque in the power train of the motor during start-up.
25. The Commission has not previously considered softstarters. In line with the Commission's approach in previous decisions to individual components in the LV electrical equipment sector, the notifying party submits that softstarters should be considered as a separate product market. However, for the case at hand, the exact product market definition can be left open since the conclusion of the competitive assessment is the same under any reasonable alternative product market definition.

PLCs

26. PLCs (or programmable logic computers) are digital computers used for automation of industrial processes. Their purpose is to control other components of a larger device, such as a switchboard or a drive.
27. In previous decisions, the Commission considered whether the market for PLCs should be regarded as a single product market, or should be further subdivided according to end-use, particularly with regard to the use of PLC in automation solutions for metallurgical plants. However, the question was ultimately left open by the Commission.⁹ Such a question can also be left open for the case at hand, since only an overall market for PLCs would be an affected market.

UPS devices

28. UPS (or uninterruptible power supply devices) are devices which allow systems to keep running when the primary power source fails due to loss of power (i.e., blackouts or brownouts).
29. In previous decision,¹⁰ the Commission found that that static-operated UPS devices with a power rating above 10 kVA (so-called "medium-high UPS devices") constitute a relevant product market, separate from static-operated UPS devices below 10 kVA (so-called "low range UPS devices"), that can be further subdivided into 0-3 kVA and 3-10 kVA UPS devices.¹¹ For the purposes of the present case the exact product market definition can be left open since the conclusion of the competitive assessment is the same under any reasonable alternative product market definition.

⁹ Case M. 3653, *Siemens/VA Tech*

¹⁰ Case M. 3347, *Schneider Electric/MGE-UPS*

¹¹ Case M. 4475, *Schneider Electric/APC*

B) Relevant geographic markets

30. In *Schneider/Legrand*,¹² the Commission concluded that the relevant geographic market for components of distribution boards and final panelboards was national. In line with the Commission's previous decisions, the notifying party submits that also the geographic scope for markets for LV industrial contractors¹³ and UPS devices¹⁴ is national. In both cases, the Commission had ultimately left the geographic market definition open.
31. With regard to PLCs, the Commission has previously considered the geographic market to tend towards an EEA-wide definition, but the question was ultimately left open.¹⁵
32. Lastly, the notifying party submits that some components, such as MCCBs, MCBs and pushbuttons, when incorporated into UPS devices, are subject to different supply and demand, which present similar characteristics across the EEA area. For this reason, the notifying party submits that the geographic scope for the markets for MCCBs, MCBs and pushbuttons, when used as components for UPS devices, is at least EEA-wide. Several respondents to the market investigation supported this view.
33. The question of the exact geographic market definition can be left open for the case at hand since the result of the competitive assessment is the same under any reasonable alternative product market definition.

V. COMPETITIVE ASSESSMENT

34. The proposed transaction gives rise to a number of affected markets, as the parties' activities lead to several horizontal overlaps and vertical relationships.
35. The proposed transaction gives rise to several national affected markets (where the parties' combined market shares are above 15%) in France, Germany, Ireland, the Netherlands, Norway, Czech Republic, Sweden and the UK. However, in most of these affected markets, the parties' combined market shares do not exceed 25%. Furthermore, on these markets, the proposed transaction would lead to a limited increment and the new entity would face significant competitors (such as Schneider, ABB, Hager, Siemens, Legrand and GE), the majority of which are vertically integrated. The proposed transaction therefore does not give rise to competition concerns on these markets.
36. Consequently, the competitive assessment on horizontal effects that follows will focus on those markets where the parties' market shares exceed 25%.

¹² Case M. 2283

¹³ Case M. 3347, *Schneider Electric/MGE-UPS*

¹⁴ Case M. 3347, *Schneider Electric/MGE-UPS*

¹⁵ Case M. 3653, *Siemens/VA Tech*

37. The proposed transaction also leads to several vertical relationships between the parties' activities, since Moeller produces and sell several components (mainly MCCBs, MCBs, pushbuttons, LV contactors, earth leakage protection) that are part of final products that Eaton produce and sell (distribution boards, final panelboards, medium-high UPS devices) .

38. The competitive assessment on vertical effects that follows will focus on those products where the parties' markets shares exceed 30%.

Horizontal effects

39. The parties have a combined market share above 25% on a number of markets in the Netherlands and Germany as set out in the table below.

	Netherlands				Germany	
	MCBs for distribution boards	MCBs for final panelboards	Final panelboards	Earth leakage protection	MCCBs for main switchboards	MCCBs for distribution boards
Eaton	[10-20]%	[10-20]%	[35-45]%	[15-25]%	[0-10]%	[0-5]%
Moeller	[15-25]%	[40-50]%	[0-5]%	[15-25]%	[40-50]%	[30-40]%
New entity	[30-40]%	[55-65]%	[35-45]%	[35-45]%	[45-55]%	[35-45]%
Schneider	[20-30]%	[20-30]%	[0-5]%	[15-25]%	[5-15]%	[10-20]%
ABB	[10-20]%	[5-15]%	[25-35]%	[10-20]%	[10-20]%	[10-20]%
Hager	[10-20]%	[0-10]%	[10-20]%	[10-20]%		
Siemens	[0-5]%			[0-5]%	[10-20]%	[25-35]%
GE	[5-15]%	[0-10]%	[5-15]%	[0-5]%		
Attema			[0-10]%			
Others	[5-15]%	-	-	[0-5]%	[0-10]%	[0-10]%

The Netherlands

40. The above table shows that in some markets, such as MCBs for distribution boards, MCBs for final boards and earth leakage protection, the transaction would lead to a significant increment. Moreover, in these markets, the parties have significant, and even high, combined market shares, from [30-40]% up to [55-65]%.

41. However, on all four markets, the proposed concentration does not give rise to competition concerns for the following reasons.

42. Firstly, the merged entity would face significant vertically integrated competitors, such as Schneider, Hager, Siemens, ABB and GE. In addition, the market investigation confirmed that competitors could absorb any increase in demand stemming from a change in the supply policy of the merged entity, without costly investment in case an additional investment would be needed.

43. Secondly, with regard to earth leakage protection, according to the data provided by the notifying party, Moeller's entire market share is derived from the production outsourced to Eaton, since Moeller purchases these final panel boards from Eaton. Thus, the proposed transaction would not modify the market structure.

44. Thirdly, with regard to MCBs for final panelboards, despite the parties' high combined market share ([55-65]%), Moeller's market share stems primarily from a supply contract with that Moeller won in 2006. Before buying MCBs from Moeller, was purchasing these products from. As a matter of facts, Moeller's sales to represent a market share of [25-35]%. Accordingly 's large purchases from Moeller allow to exercise significant buyer power vis-à-vis Moeller. In addition, the parties' combined market share would significantly decrease to [30-40]% (Eaton [10-20]%, Moeller [15-25]%) if, in line with the results of the market investigation, it would be considered that there is one single product market for MCB's.
45. Fourthly, with regard to final panelboards, the increment, due to Moeller, is limited ([0-5]%) and stems from the production outsourced to Eaton. Indeed, Eaton purchases from Moeller the components for the final panelboards, assembles the Moeller-branded final panelboards, and supplies them to Moeller. The proposed transaction does not therefore change the market structure.
46. Fifthly, a large proportion of the parties' customers are wholesalers, such as Solar or Hagemeyer-Rexel, which have a significant countervailing buying power.
47. Based on the foregoing, and taking into account that the respondents to the market investigation (both customers and competitors) did not foresee any anti-competitive effects, it can be concluded that the proposed transaction does not lead to competition concerns on the markets for (i) MCBs for distribution boards, (ii) MCBs for final boards, (iii) earth leakage protection and (iv) final panelboards in the Netherlands.

Germany

48. Although the parties have a high combined market shares on MCCBs for main switchboards ([45-55]%) and MCCBs for distribution boards ([35-45]%) in Germany, the proposed transaction does not give rise to competition concerns on these markets for the following reasons.
49. Firstly, the proposed transaction would lead to a limited increment ([0-5]%).
50. Secondly, as for the Netherlands, the merged entity would face significant vertically integrated competitors, such as Schneider, Siemens and ABB. In addition, the market investigation also confirmed that competitors could absorb any increase in demand stemming from a change in the supply policy of the merged entity, without costly investment in case an additional investment would be needed.
51. Thirdly, all of Eaton's sales of both products in 2007 were made to [...], which is vertically integrated and has moreover a countervailing buying power. As a matter of fact, [...] has been progressively sourcing, since 2005, these MCCBs from its own operations and uses Eaton's MCCBs only for after-sales maintenance. As a matter of fact, according to the data provided by the notifying party, Eaton's sales of MCCBs have collapsed over the period 2004-2006 and its market share fell down from [20-30]% in 2004 to [0-5]% in 2006.
52. Based on the foregoing, and taking into account that the respondents (both customers and competitors) to the market investigation did not foresee any anti-competitive effects, it can be concluded that the proposed transaction does not lead to competition concerns on the markets for (i) MCCBs for main switchboards and (ii) MCCBs for distribution boards in Germany.

Vertical effects

53. The parties have a combined market share in excess of 30% on a number of vertically affected markets in the Netherlands and Norway as set out in the table below. The notifying party claims however that the merged entity would neither have the ability nor the incentive to foreclose the downstream markets for the assembled products and/or the upstream markets for the components.

Geographic market	Downstream	Upstream
	(Assembled product)	(Components)
The Netherlands	Distribution boards [25-35]% (E: [25-35]%)	MCBs for distribution boards [30-40]% (E: [10-20]% + M: [15-25]%)
	Final panelboards [35-45]% (E: [35-45]% + M: [0-5]%)	MCBs for final panelboards [55-65]% (E: [10-20]% + M: [40-50]%)
		Earth leakage protection [35-45]% (E: [15-25]% + M: [10-20]%)
Norway	Medium-high UPS devices [30-40]% (E: [30-40]%)	MCBs [30-40]% (M: [30-40]%)

E: Eaton; M: Moeller

The Netherlands

54. In the Netherlands, the vertical relationships at issue concern i) MCB's used as input for the production of distribution boards and final panel boards and ii) earth leakage protection devices used as input for final panel boards.
55. For input foreclosure to be a concern on these markets, the merged entity must have a significant degree of market power in the upstream market for MCB's and earth leakage protection devices. It is only in these circumstances that the merged firm can be expected to have a significant influence on the conditions of competition in the upstream market and thus, possibly on prices and supply conditions in the downstream market.¹⁶
56. The notifying party claims that the merged entity would lack such market power, considering the presence on each of the markets concerned of big, internationally operating vertically integrated competitors such as Schneider, ABB, Hager, Siemens, GE and Gewiss, which on an EEA basis often have a stronger market position than the merged entity¹⁷. In addition, the market investigation confirmed that barriers to

¹⁶ See paragraph 35 of the Commission guidelines on the assessment of non-horizontal mergers under the Council Regulation on the control of concentrations between undertakings.

¹⁷ For instance, downstream, the only country in the EEA in which the merged entity sells distribution boards is the Netherlands. Further, upstream, on the EEA market for MCB's for distribution boards competitors of the merged entity are generally well positioned: Schneider [20-30]%, ABB: [10-20]%, Hager [10-20]%, Legrand [5-15]% and Siemens [0-10]%. Similarly, on the EEA market for MCB's for final panel boards the position of competitors is equally strong: Schneider [15-25]%, ABB [10-20]%, Hager [10-20]%, Legrand [10-20]% and GE [0-10]%. On the market for earth leakage protection devices

entry to the markets concerned are relatively low. Legrand has recently entered the Dutch market, whereas the Chinese company Chint is in the process of strengthening its low-voltage electrical business in the Netherlands.

57. In relation to MCB's for final panelboards, where the merged entity would have a market share of [55-65]%, the notifying party submits that they neither possess market power. In particular, they consider that a product market only covering MCB's used for final panel boards would be too narrow and ignore the substitutability of these products with MCB's used for other applications as well as, the partial substitutability between MCB's in general and fuses. The market investigation confirmed the notifying parties' views on this point. On the broader market for MCB's the merged entity would have a market share of [30-40]% in the Netherlands.
58. The merged entity would only have the ability to foreclose downstream competitors on the markets for final panel boards and distribution boards if by reducing access to its MCB's and earth leakage protection devices, it could negatively affect the overall availability of such products for the downstream market in terms of price or quality. This may be the case where the remaining upstream suppliers are less efficient, offer less preferred alternatives, or lack the ability to expand output in response to a supply restriction.
59. None of these circumstances appears to be present in the case at hand. All competitors of MCB's and earth leakage protection devices are big companies operating economies of scale. The market investigation confirmed that competitors could absorb any increase in demand stemming from a change in the supply policy of the merged entity. As both MCB's and earth leakage protection devices are standardised products switching costs are not significant. Respondents to the market investigation clarified that, although switching could require customers in some occasions to change drawings, circuit wiring diagrams and ordering numbers, such costs would not play a significant role. As example, [...] recently switched from [...] to Moeller for the supply of MCB's and earth leakage protection devices.
60. The notifying party submits that the merged entity would also lack the incentive to foreclose downstream competitors. Such an incentive would exist if the loss in profit upstream due to a reduction of input sales to competitors downstream would be smaller than the gain, in the short term or the longer term, from expanding sales downstream, or by being able to raise prices.
61. A large proportion of Moeller's customers for MCB's and earth leakage protection devices component customers are wholesalers, such as Solar or Hagemeyer-Rexel (e.g. [...]). These wholesalers are also Eaton's main customers in the markets for distribution boards and other "final" products, such as final panel boards. These wholesalers would therefore be customers of the merged entity for other products, and to foreclose them would mean to lose significant sales in these other products.
62. Customer foreclosure may occur when a supplier integrates with an important customer in the downstream market. Because of its downstream presence, the merged

the EEA market shares are as follows: Schneider [20-30]%, ABB [10-20]%, Hager [10-20]%, Legrand [5-15]% and Gewiss [0-10]%.

entity may foreclose access to a sufficient customer base to its actual or potential rivals in the upstream market and reduce their ability or incentive to compete.

63. In the present case it seems unlikely that the merged entity would have the ability to foreclose customers. Even if the merged entity were in theory to source its entire demand for MCB's and earth leakage protection devices internally, the parties' competitors would continue to have sufficient alternative outlets ([55-65]% in the case of the downstream market for final panel boards and [65-75]% in the case of distribution boards, as well as the other uses to which these components are put) for their products to remain competitive.
64. The merged entity would also lack the incentive to foreclose its upstream competitors. Stopping all purchases of MCB's and earth leakage protection devices from competitors might affect the viability of the merged entity in other product areas where the merged entity relies on them as suppliers.

Norway

65. In Norway the vertical relationship at issue concerns MCB's used as input for the production of medium-high UPS devices.
66. For input foreclosure to be a concern in Norway, the merged entity must have a significant degree of market power in the upstream market of MCB's. The notifying party submits that their [30-40]% market share on the Norwegian MCB market is insufficient to provide it with market power, as they will continue to face significant competition from established and credible competitors.
67. The merged entity would only have the ability to foreclose downstream competitors on the medium-high UPS devices market if by reducing access to its MCB's it could negatively affect the overall availability of such products for the downstream market in terms of price or quality. As explained in relation to the situation in the Netherlands, competitors of MCB's (representing [60-70]% of the Norwegian MCB market) include big international vertically integrated companies operating on the basis of economies of scale, with sufficient free capacity to absorb any increase in demand stemming from a change in the supply policy of the merged entity in Norway. Consequently, for competitors of the merged entity – even for those which are not vertically integrated – there would be no difficulties in finding an alternative source of supply. Those competitors who are vertically integrated would be able to supply their own components if the merged entity would seek to foreclose inputs to them. The merged entity would therefore lack the ability to foreclose downstream competitors.
68. In addition, the merged entity also lacks the incentive to foreclose downstream competitors, since MCB's are no critical components for medium-high UPS devices, as they can to a certain degree¹⁸, be substituted by a fuse- and-switch set up and only

¹⁸ While a fuse-and-switch set-up represents a more traditional technology, certain competitors of Eaton on the downstream market use them in their design.

a small quantity thereof (two or three) is needed per UPS device¹⁹. This was confirmed by the market investigation.

69. In order for customer foreclosure to be an issue in the present case, the merged entity must represent a significant part of demand for the upstream MCB's. As it is estimated that medium-high UPS devices account for approximately 3% of total demand for MCB's, the merged entity is unlikely to possess the ability to foreclose customers for MCB's. Moreover, Eaton's entire MCB requirement for its UPS production is currently met by [...]. According to estimates by the notifying party these MCB's represent less than [0-5%] of [...]'s production of MCB's. Even if Eaton would stop sourcing its MCB's from [...] this would only have a minor effect on [...]'s position.

Conclusion on vertical effects

70. Based on the foregoing, and taking into account that the respondents (both customers and competitors) to the market investigation did not foresee any anti-competitive effects stemming from the vertical relationships between Eaton and Moeller, the proposed transaction does not lead to competition concerns on the vertically affected markets. For reasons similar to those set out above, the proposed transaction neither leads to competition concerns in relation to those markets where the combined market share of the merged entity does not exceed 30%.

VI. CONCLUSION

71. 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 EEA Agreement. This decision is adopted in application of Article 6(1)(b) of Council Regulation (EC) No 139/2004.

For the Commission
[signed]
Neelie KROES
Member of the Commission

¹⁹ MCB's represent around 5% of the total product cost of a medium-high UPS device.