

OPINION**of the Advisory Committee on Concentrations given at the 56th meeting on 19 June 1998
concerning a preliminary draft decision relating to Case IV/M.1069 — WorldCom/MCI**

(1999/C 122/04)

(Text with EEA relevance)

The Advisory Committee agrees with the Commission:

1. that the proposed concentration constitutes a concentration within the meaning of Article 3(1)(a) of the Merger Regulation and that it has a Community dimension;
 2. on the relevant product markets as defined in the draft Decision,
 - (a) that services and products related to the Internet are not substitutable for other types of data transmission,
 - (b) on the definition of product markets in relation to host to point of presence access services and to internet access services as defined in the draft Decision,
 - (c) that top level connectivity is not substitutable for connectivity offered by other types of ISPs and therefore constitutes a separate market in its own right,
 - (d) on the definition of the top level ISPs as described in the draft Decision;
 3. on the relevant geographic markets as defined in the draft Decision;
 4. on the competitive analysis as detailed in the draft Decision,
 - (a) that the proposed concentration does not raise competitive issues for markets other than the one for top level connectivity,
 - (b) on the relevance of the methods used by the Commission to assess market shares,
 - (c) that the proposed concentration will give to WorldCom/MCI a dominant position on the market for top level connectivity,
 - (d) that, subject to the identity of the purchaser, the remedies proposed by the parties are sufficient to counter the adverse effects of the notified operation,
 - (e) the Advisory Committee asks the Commission to proceed with the necessary assessment of the undertakings and to report on the results to the Member States;
 5. that the concentration should be declared compatible with the common market pursuant to Article 8(2) of the Merger Regulation and with the functioning of the EEA Agreement;
 6. the Committee recommends the Commission to take account of all the matters raised in the discussion;
 7. the Committee agrees to the publication of the Advisory Committee's opinion.
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