

<p>COMPETITION LAW IN THE EUROPEAN COMMUNITIES</p>	<p>October, 1999</p> <p>Volume 22, Issue 10</p>
---	---

<p>FAIRFORD PRESS <i>Publisher and Editor: Bryan Harris</i></p>	<p>Fairford Review : EU Reports : EU Services : Competition Law in the European Communities</p>
<p>6A Market Place, Cirencester GL7 4YF, UK P O Box 323, Eliot ME 03903-0323, USA</p>	<p>Tel & Fax (44) (0) 1451 861 464 Tel & Fax (1) (207) 439 5932</p>

October, 1999

Volume 22 Issue 10

COMPETITION LAW IN THE EUROPEAN COMMUNITIES

Copyright © 1999 Bryan Harris
ISSN 0141-769X

CONTENTS

226 COMMENT

The new Commissioner
The ECSC Treaty
Competitiveness

227 ACQUISITIONS (PACKAGE HOLIDAYS)

The Airtours / First Choice Case

230 JOINT VENTURES (COMPUTERS)

The Siemens / Fujitsu Case

232 ACQUISITIONS (OIL)

The BP Amoco / Arco Case

234 MERGERS (OIL)

The Exxon / Mobil Case

238 ACQUISITIONS (INDUSTRIAL GASES)

The BOC / L'Air Liquide Case

240 DISTRIBUTION AGREEMENTS

Commission Statement
Draft Commission Regulation

The new Commissioner

In the Spring of this year, all the members of the Commission of the European Communities resigned, following a financial scandal. They kept their portfolios on a temporary basis, until the appointment of new Commissioners took effect on 15 September. Only three of the original Commissioners were re-appointed. One of them was Sr Mario Monti, previously the Commissioner for the Internal Market: he is now responsible for Competition Policy, in place of Mr Karel van Miert, who has not been re-appointed. Sr Monti was soon in the news. Described in the *London Times* as "Get-tough Monti", he was reported to have "grounded" the Airtours merger. Mergers are seldom blocked by the Commission, so each of the cases in which this happens tends to make the headlines. A report of the Airtours case is included in this issue.

The ECSC Treaty

Another old friend is due to disappear shortly. The European Coal and Steel Community Treaty, the first of the Treaties setting up the European Communities, is due to lapse in two years' time. It was concluded in 1952 and, unlike the other Treaties, which are "concluded for an unlimited period", was limited to 50 years. According to the Commission, the

European Union's policy for the steel industry will soon be aligned with that of other manufacturing sectors (Commission Statement IP/99/726). At present special rules apply to competition in the steel industry: a harsher wind may blow in future.

Competitiveness

Connoisseurs of Brussels jargon appreciate the difference between competition and competitiveness. Competition refers primarily to trading conditions within the European Union, competitiveness to the conditions of global trade. It follows that the Commission's periodic Competitiveness Reports are concerned with the success of European industry in the face of external challenges. As it happens, the recently published Third Report is less concerned with world-wide competition than with external crises and in particular the problems of south-east Asia. But, like the two previous two reports, it reflects the intentions of Article 157 (formerly 130) of the EC Treaty, with its concept of public authorities playing an active role in directing the energies of industrial corporations. As in the steel industry in 1970s and 1980s, the Commission still tends to think in terms of "managing structural change" in industry and to what it calls "the design of enterprise policy". Both terms are used in the Third Report. □