

Killer Acquisitions

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What is the issue?

- Start-ups as acquisition targets
 - Aligned with VC/PE exit strategy
- Sliding under notification requirements
 - “Community dimension” is roughly related to turnover
 - No substantial horizontal overlap
- Harm to competition
 - Non-coordinated Effects
 - Coordinated Effects

What are the key recommendations?

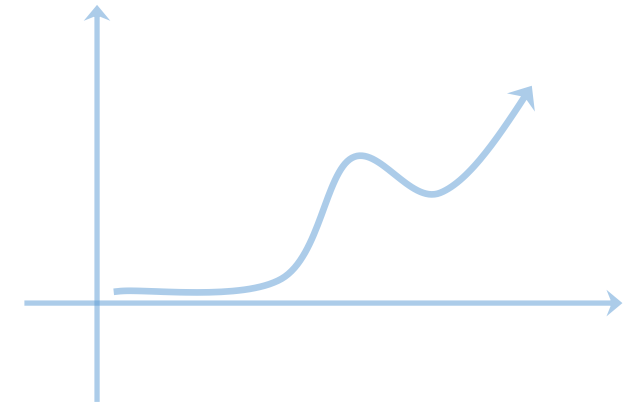
- Turnover Thresholds
 - Transaction Value (Austria and Germany)
 - Market Share Test
 - Wait and watch
- Substantive Analysis
 - Overlap for Technological or Users' Space
 - Burden of Proof on Merging Parties where target acquired to avoid user defection
 - Broadening boundaries of the market
 - Modified Theories of Harm

Simulation: Google Buys YouTube

- Assumptions
 - Youtube founded in February 2018
 - Google makes offer in November 2019
- Broad Boundaries of the Market?
- Overlap of Users' Space?
- Reverse Burden of Proof?
- Entry and Expansion?

Some Suggestions and Predictions

- Data Concentration Index
- Decentralising technologies
- Block Exemption Regulation
- Trade Barriers between sources of Big Data and Owners/Acquirers



Thank you