Competition Law in the Digital Era

Dr Stavros Makris

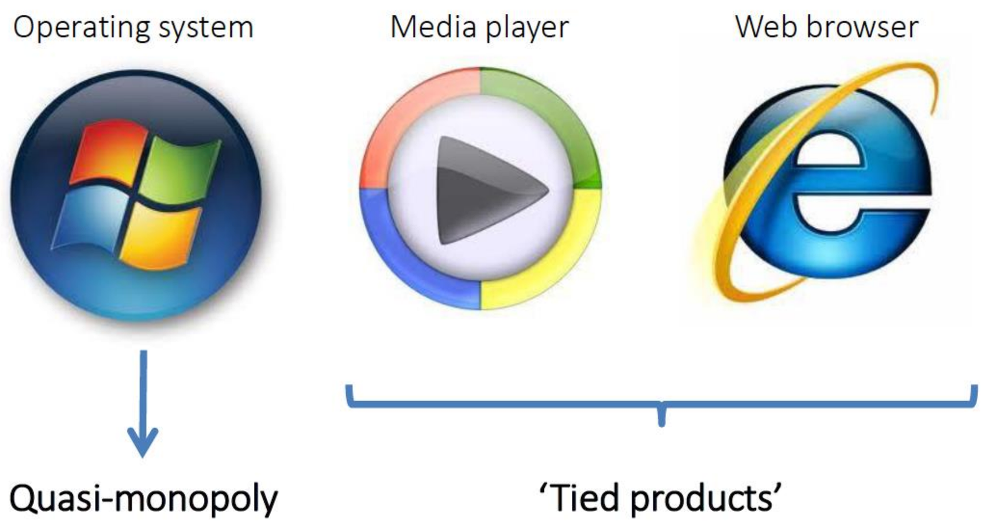
Lecturer in Competition Law at the University of Glasgow

(stavros.makris@glasgow.ac.uk or s.makris12@ucl.ac.uk)

PRESS RELEASE | 25 June 2024 | Brussels | 3 min read

Commission sends Statement of Objections to Microsoft over possibly abusive tying practices regarding Teams

The European Commission has informed **Microsoft** of its preliminary view that Microsoft has breached EU antitrust rules by tying its communication and collaboration product *Teams* to its popular productivity applications included in its suites for businesses *Office 365* and *Microsoft 365*.



Is it unlawful to tie these products?

PRESS RELEASE | 4 March 2024 | Brussels | 5 min read

Commission fines Apple over €1.8 billion over abusive App store rules for music streaming providers

Page contents

The European Commission has fined Apple over €1.8 billion for abusing its dominant position on the market for the distribution of music streaming apps to iPhone and iPad users ('iOS users') through its App Store. In particular, the Commission found that Apple applied restrictions on app developers preventing them from informing iOS users about alternative and cheaper music subscription services available outside of the app ('anti-steering provisions'). This is illeg
under EU antitrust rules.

Spotify®

TIME TO PLAY FAIR

The European Commission Confirms, Apple's Anti-Competitive Behavior Is Illegal and Harms Consumers

Apple applied restrictions on **app developers preventing** them from informing iOS users about alternative and cheaper music subscription services available outside of the app ('anti-steering provisions'): ILLEGAL!

Google limits on access to Android Auto may breach EU rules, court adviser says

Reuters • Last Updated: Sep 05, 2024, 02:27:00 PM IST

- 2015 Google launches Android Auto, an app for mobile devises with an Android operating system that **enables users to access certain apps on their smartphone through a car's integrated display**. **Third-party developers** can create their versions of their own apps that are compatible with Android Auto by using templates provided by Google.
- Enel X provides electric car charging services. 2018: launches **JuicePass** & asks G to make it compatible with Android Auto.
- Google **refuses**: in the absence of a specific template, media and messaging apps were the only third party apps compatible with Android Auto
- Italian Competition Authority: breach of competition rules

‘Google Is a Monopolist,’ Judge Rules in Landmark Antitrust Case

The ruling on Google’s search dominance was the first antitrust decision of the modern internet era in a case against a technology giant.

Listen to this article · 8:09 min Learn more

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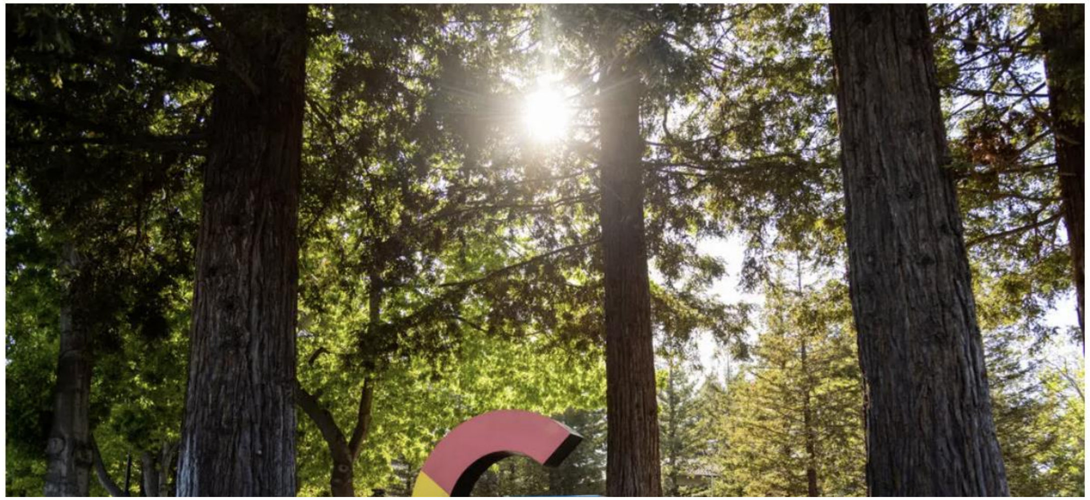


Nvidia shares slump amid reports US is ramping up antitrust investigation

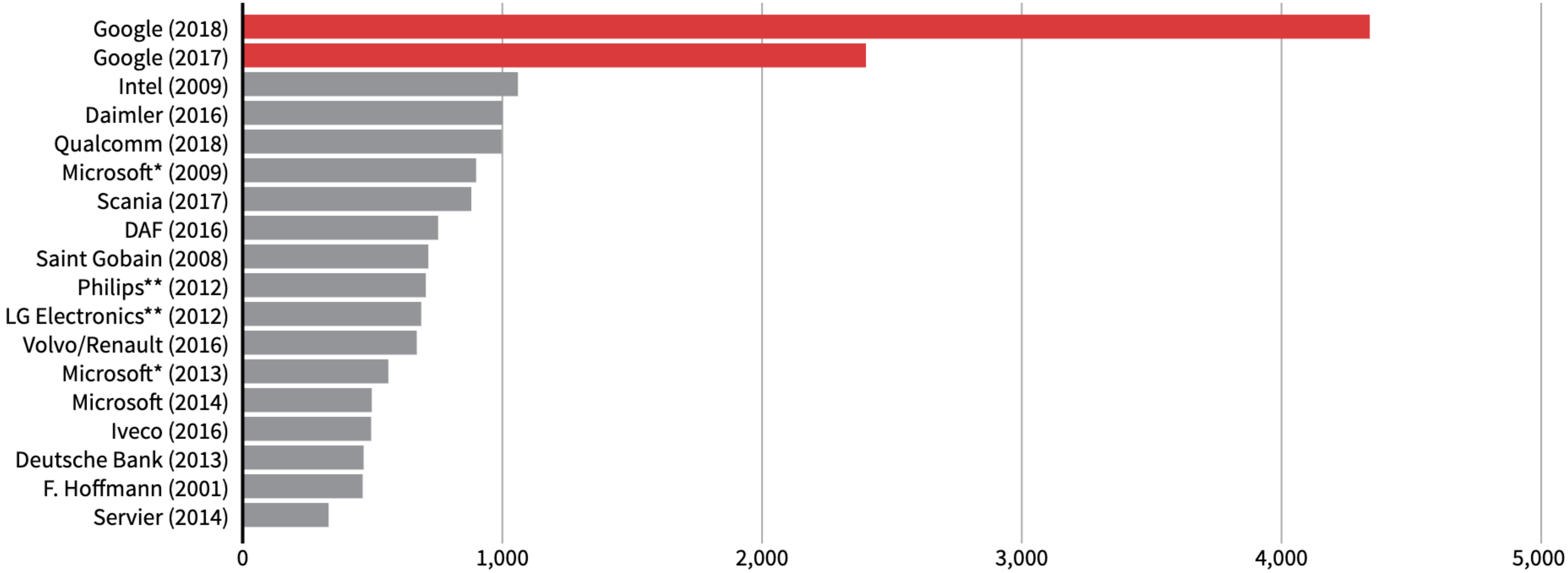
Fall overnight comes after it shrinks by $279bn on Tuesday in biggest one-day drop in value by US company

Business live - latest news

Highest ever fines

EU antitrust regulators handed down a 4.34 billion euro fine to Alphabet unit Google, the biggest ever imposed by the European Commission against a company for breaching EU antitrust rules. Below is a list of the highest ever fines given out by the EU executive for antitrust and cartel violations prior to the Android sanction:

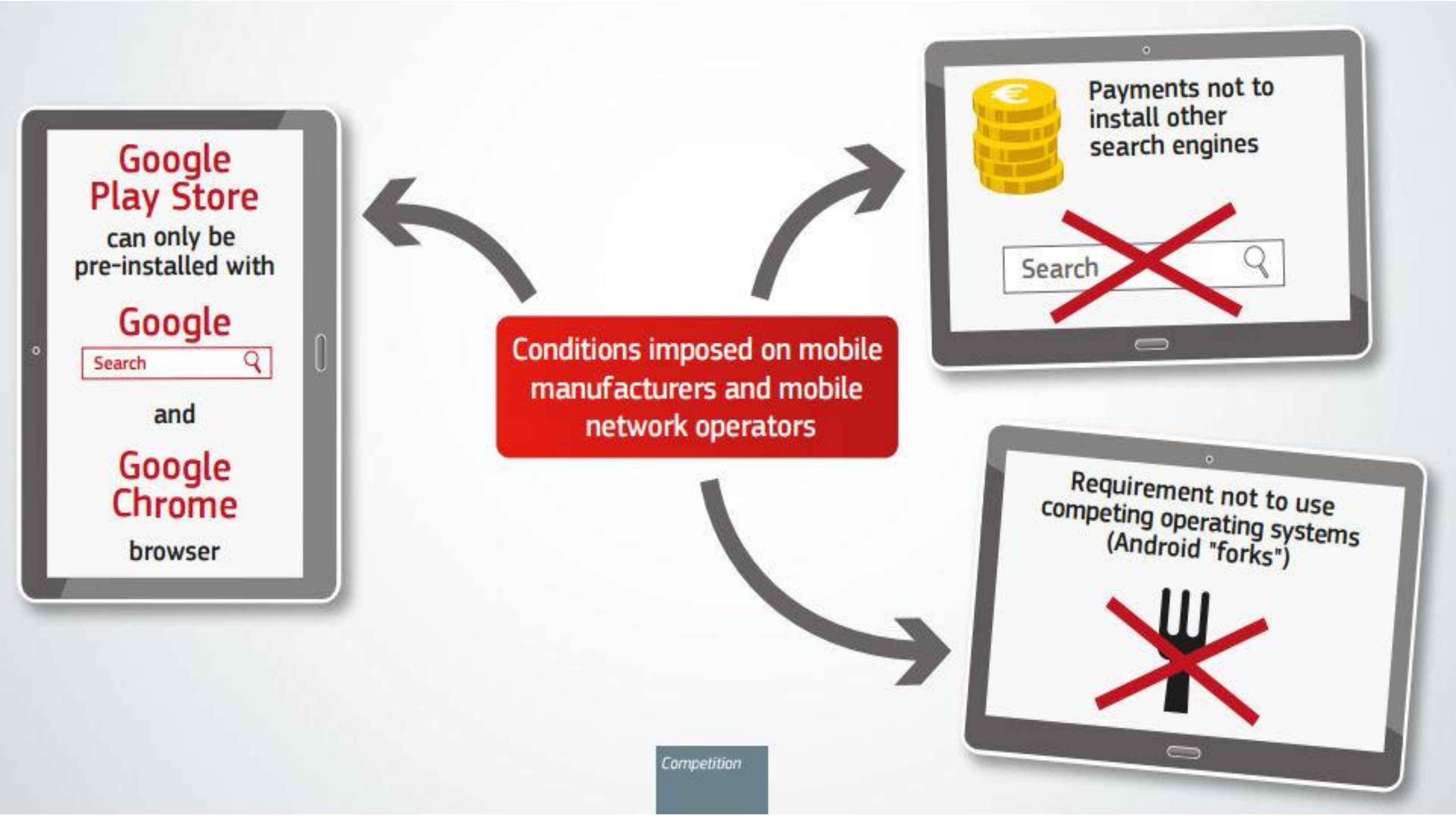
IN MILLIONS OF EUROS



Google abuses dominance as search engine to give illegal advantage to "Google Shopping"
wireless headphones
Search
Google promotes Google Shopping by placing it at the top
Google shows rival comparison shopping services much lower in results, where consumers do not see them
1 2 3 4 5 6 7 8 9 10 Next >

Google Android: Anticompetitive Tying (Fine: 4.3 bn)

- Control over the 2 main entry points for a general search



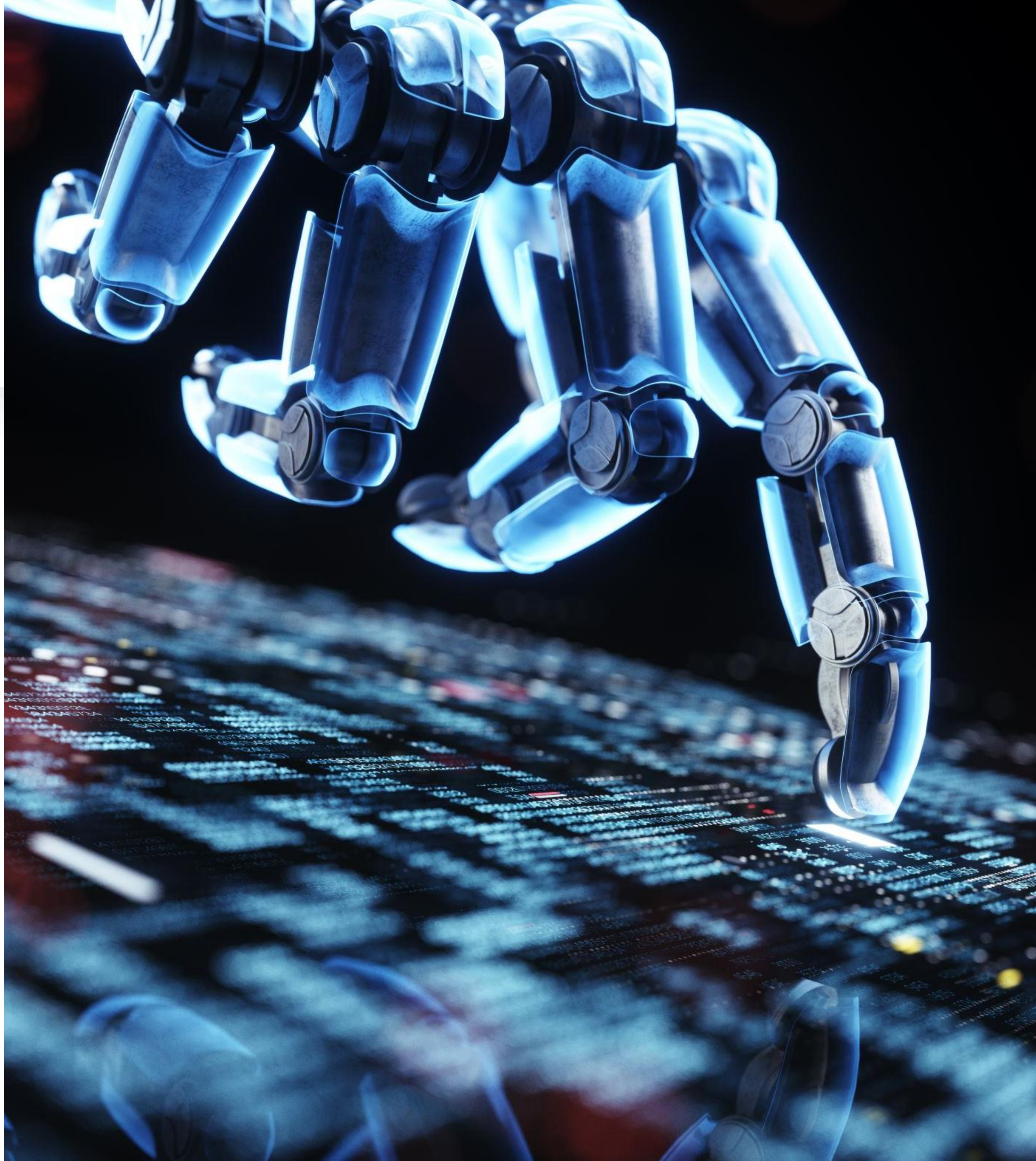
U.S. v Google LLC

District of Columbia,
District Court
Aug 5, 2024

- District Court judge Amit Mehta: that Google illegally maintained its search monopoly through a series of contracts that distorted the competitive process in Google’s favor.
- Contract with Apple, Android device makers (e.g. Samsung), browser companies (e.g. Mozilla), & wireless carriers (e.g. Verizon).
- Google paid its partners a share of its **search advertising revenue** in exchange for making Google Search the **default search** engine on their products.

Persistent questions

- Why so much competition law enforcement in digital markets?
- Can competition law effectively deal with the competition problems created by Big Tech?
- Do digital markets pose any particular challenges in the application of the law?



ROADMAP

I. What is competition law, why do we have it and what does it do?
II. What changes in the digital era?
III. How is competition law applied in this context?
IV. Do we need regulation for digital platforms?

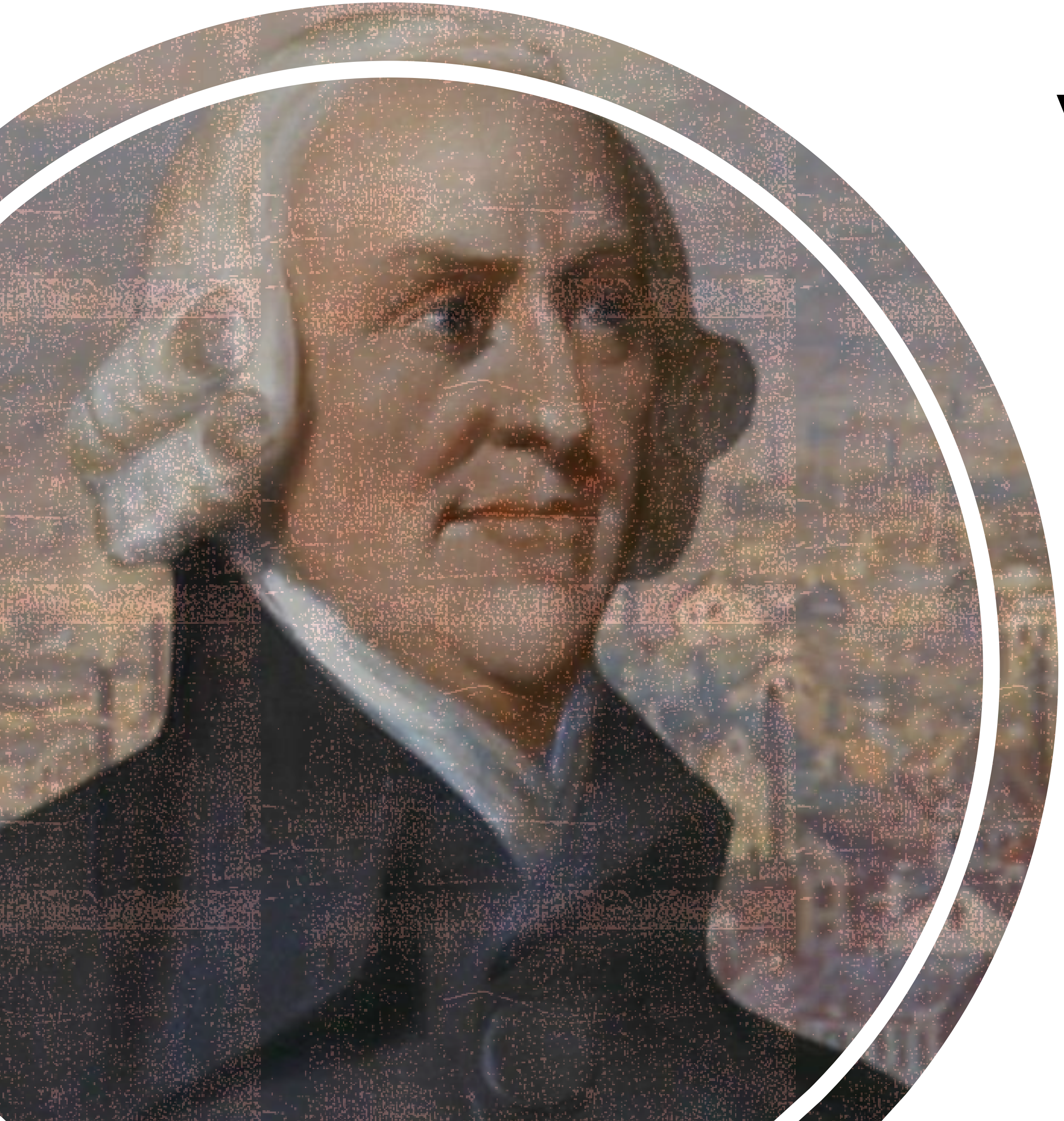
What is competition?

What is competition?

- 'The activity or condition of striving to gain or win something be defeating or establishing superiority over others' (Oxford Dictionary).
- A and B compete when A achieves Ga **only if** B does **not achieve** Gb. (Black, The Conceptual Foundations of Antitrust, 2005) → preserving firms' **ability & incentives** to rival one another.

What is competition?

- \- **Multifaceted**: 'Dynamic' or 'static', 'price-driven' or 'non-price-driven'
- **Compete** on price or output, brand positioning, choice, quality, innovation, another scarce resource
- Competition v **cooperation**



What is competition?

'It is not from the benevolence of the butcher, the brewer, or the baker, that we expect our dinner, but from their regard to their own interest.'

Rational self-interested agents + competitive markets → ***Welfare***

Why do we value competition?

Lower prices

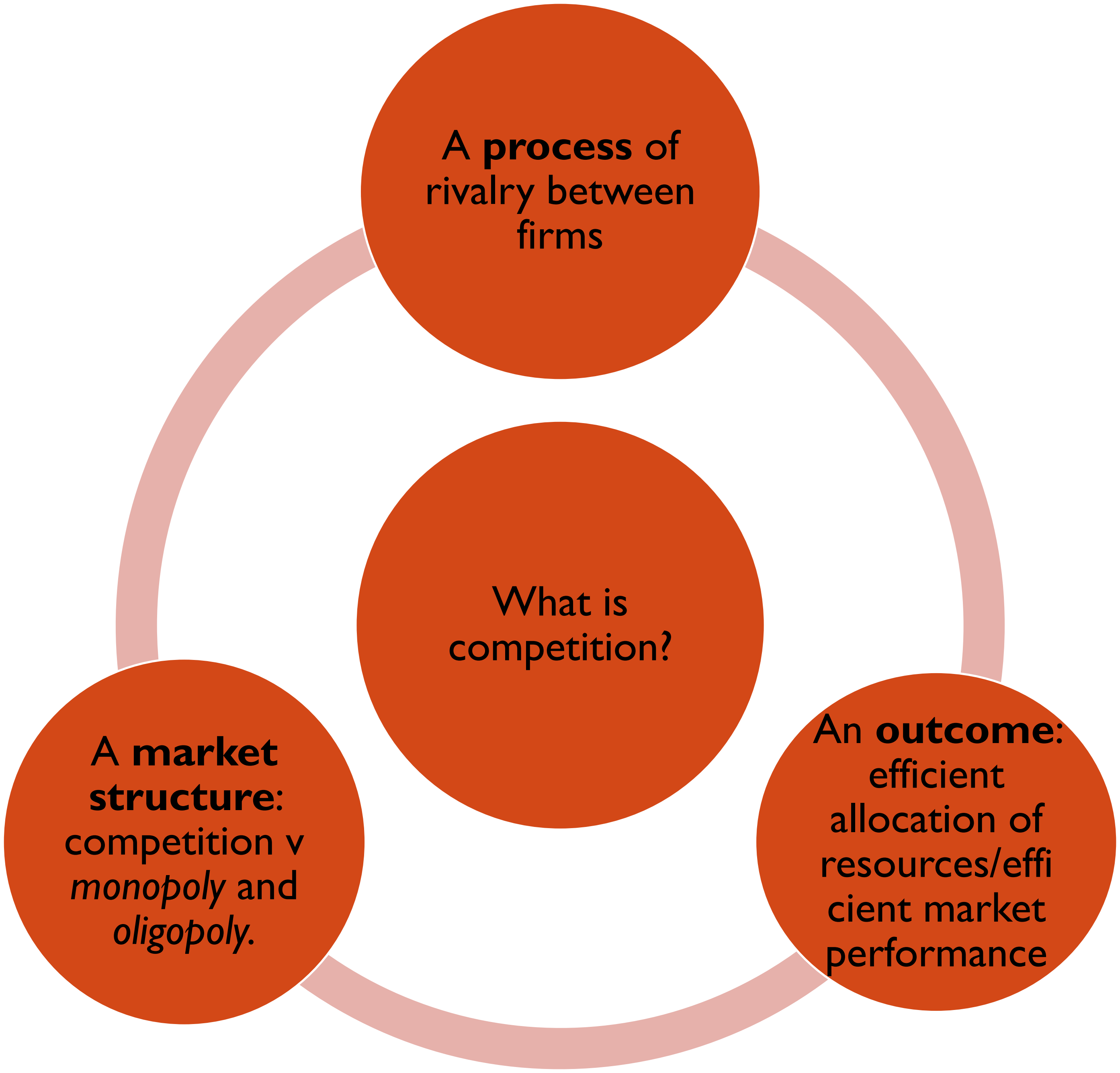
Higher output

Abundance of choice

Better quality

Increased innovationon

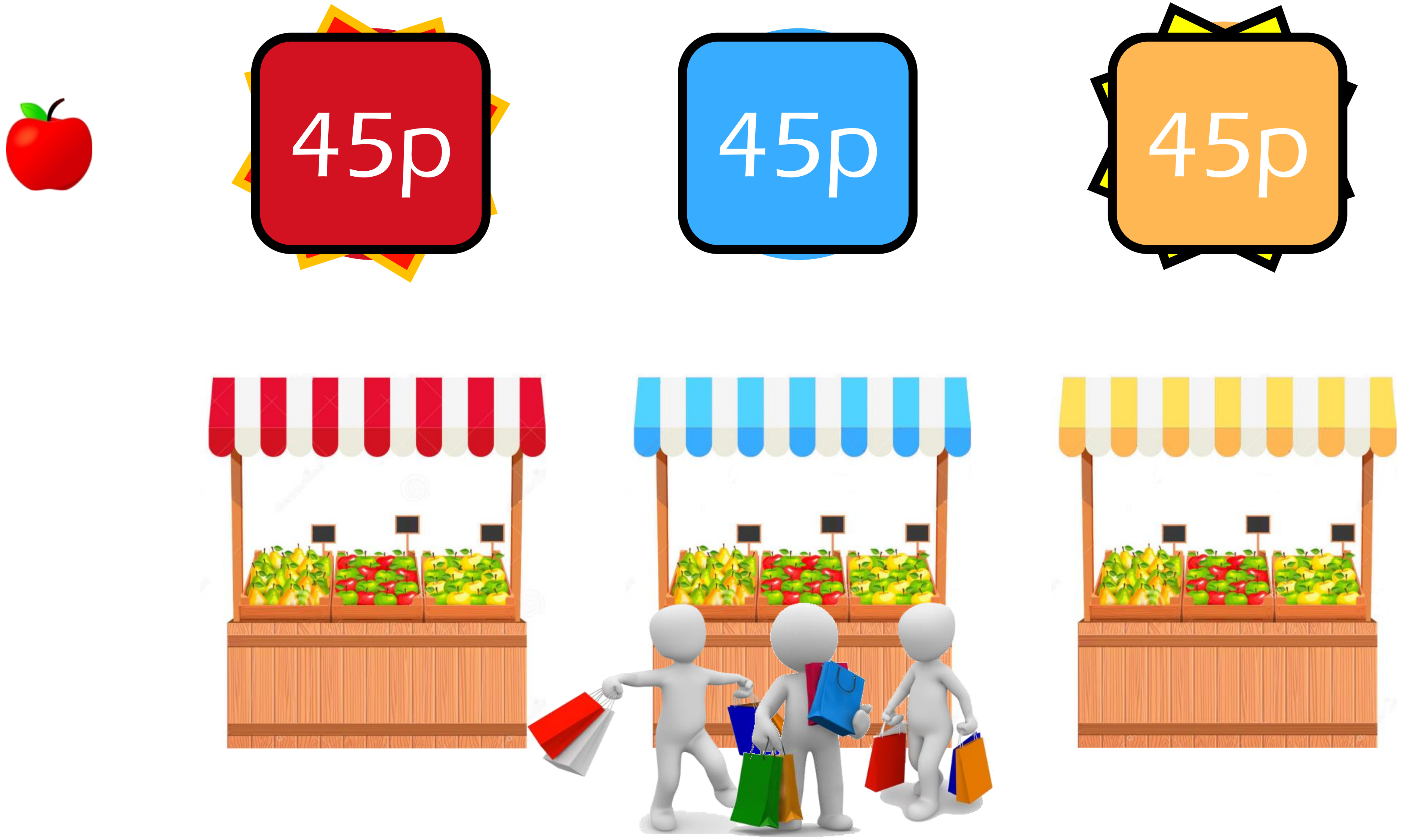
It is the process of competition what enables your money to go the extra step: to buy moree for less!


A **process** of rivalry between firms
What is competition?
A **market structure**: competition v *monopoly* and *oligopoly.*
An **outcome**: efficient allocation of resources/efficient market performance

‘Competition sows the seeds of its own destruction’

(European Commission, IXth Report on Competition Policy, 1980)

Why do we have competition law?



****To deter collusive practices****

Why do we have competition law?

50p

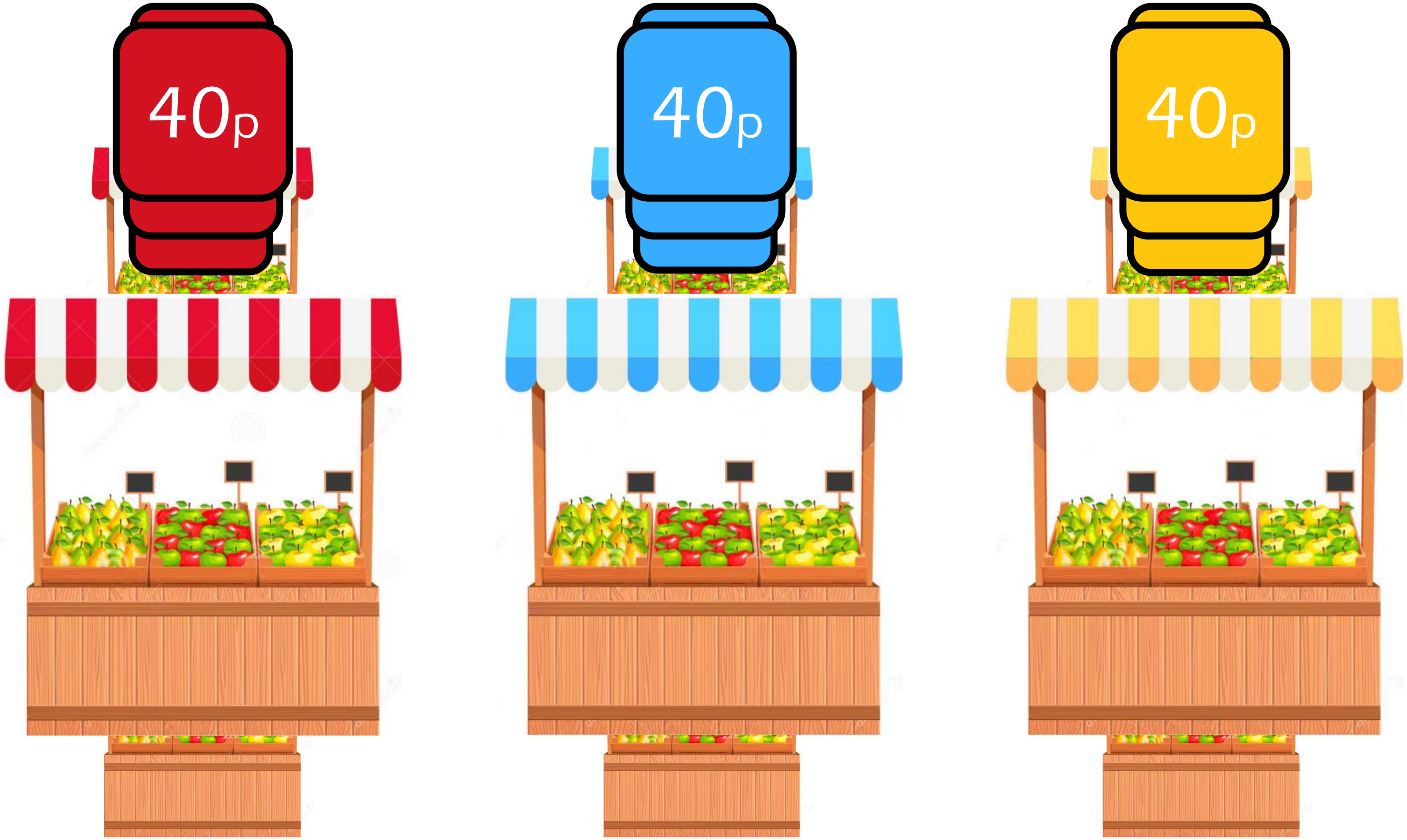
40p

25p

30p

To prevent abuses of a dominant position

Why do we have competition law?



To regulate potentially harmful mergers

The Rules

EU competition law		US antitrust	
Art. 101 TFEU	**Agreements** between undertakings **restrict competition**	Sherman Act s. 1	Every contract in **restraint of trade**
Art. 102 TFEU	Any **abuse** of a **dominant** position by an undertaking	Sherman Act s. 2	Every person who shall **monopolize**, or **attempt** to monopolize
EUMR Art. 2(2)	Any **concentration** which would **significantly impede effective competition**	Clayton Act s. 7	mergers that may **substantially lessen competition**, or tend to create a monopoly

IF 'COMPETITION' IS ABOUT THE OPERATION OF FREE MARKETS, WHY SHOULD LAW INTERVENE IN THE COMPETITIVE PROCESS?

BECAUSE…

Markets can *fail*…**collusion/exclusion** → **market power**

Market power → social costs (higher prices, lesser output, quality, innovation)

Consumer & society at large may lose

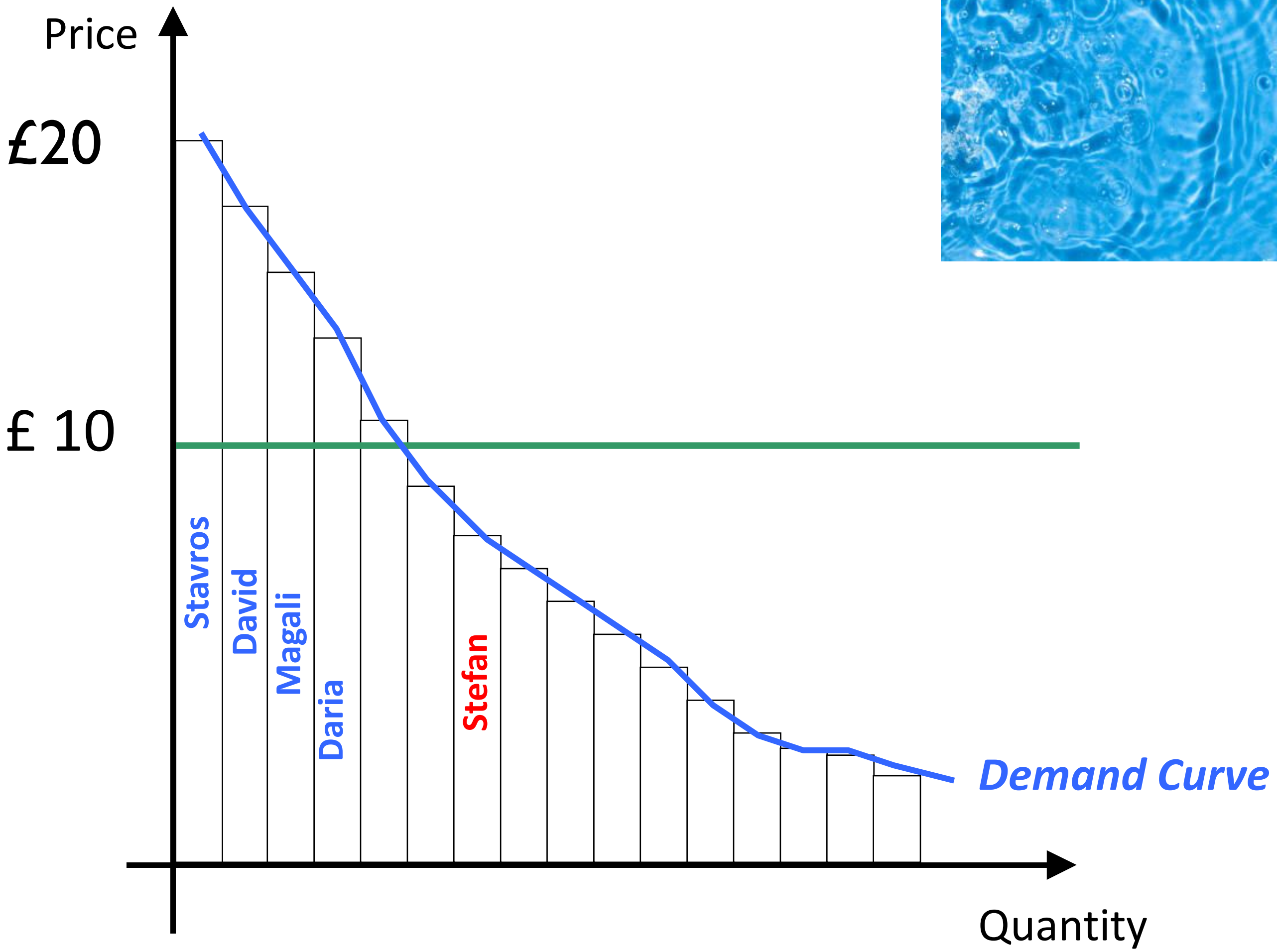
THE ECONOMIC THEORY OF COMPETITION (LAW)

WHAT IS ECONOMICS ABOUT?

- Scarcity: **limited resources** & theoretically **limitless wants** → **decisions** on how to allocate resources to satisfy needs & wants (preferences)
- Scarcity = when the **means** to fulfil **ends** are **limited** and **costly**
- *Economics is the science which studies human behaviour as a relationship between **ends** and **scarce means** which have **alternative uses*** (Robbins, 1932).
- Economics investigates ways to address the limited nature of most resources (**how to best allocate them**).

Demand curve:

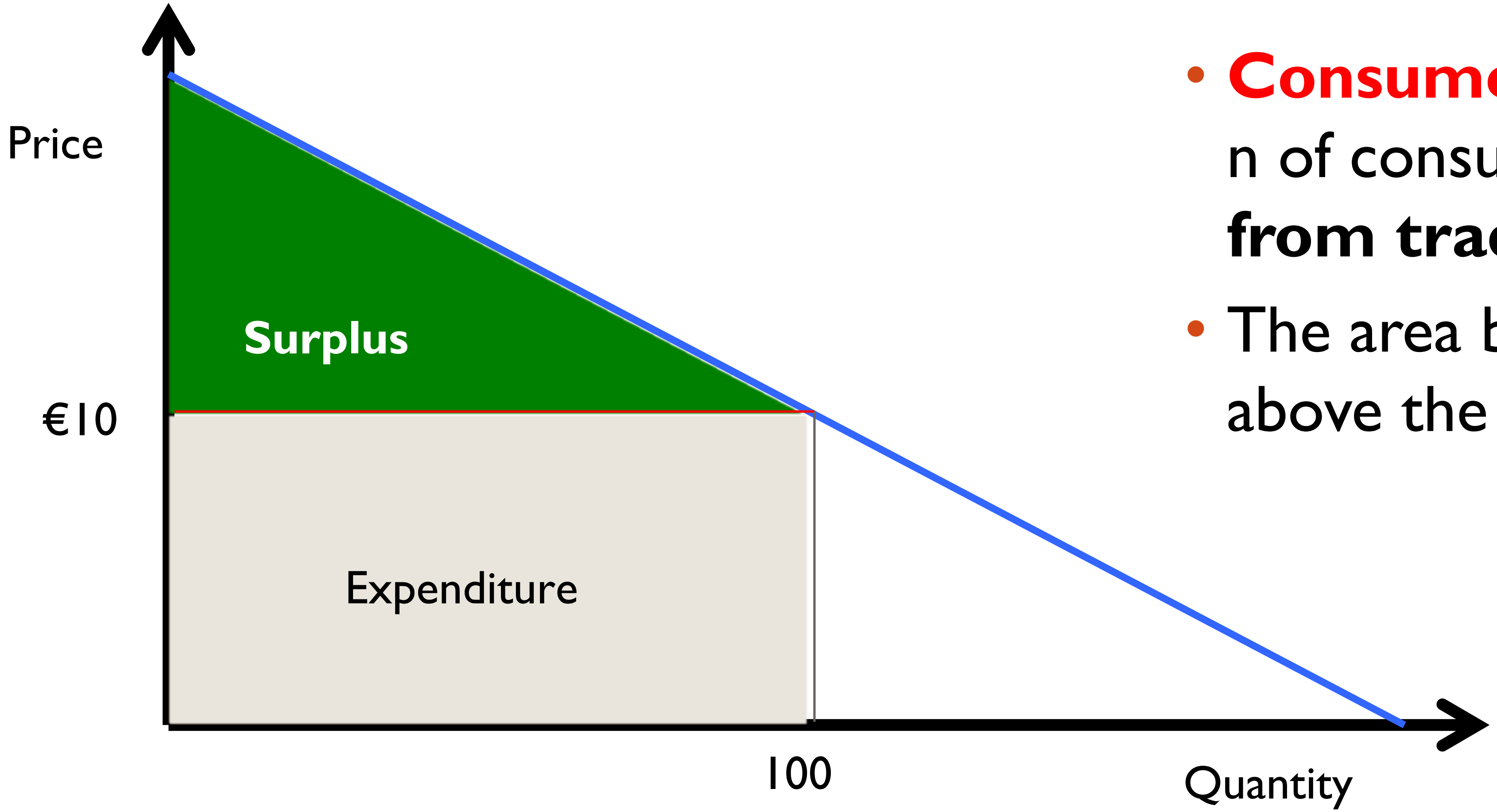
- A function that shows the **quantity demanded** at different prices
- Shows the quantity that buyers are **willing** & **able** to purchase at a particular price
- At a **lower** price quantity demanded will be **higher**
- **Reservation price** (=maximum price he/she is willing to buy for that good)



Demand curve: **how consumers respond to a change in price**

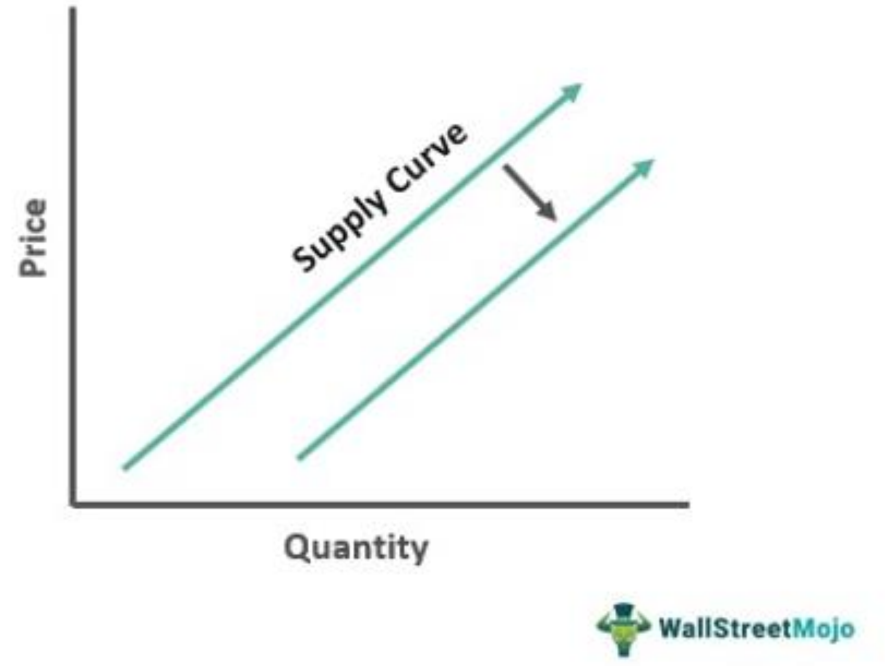
The Q demanded increases as P gets lower

Law of demand & consumer surplus



- **Consumer surplus**: P(**r**) – P(**m**) x n of consumers (**consumers gain from trade**)
- The area below the demand curve & above the market price

Supply curve: **suppliers respond to changes in price**

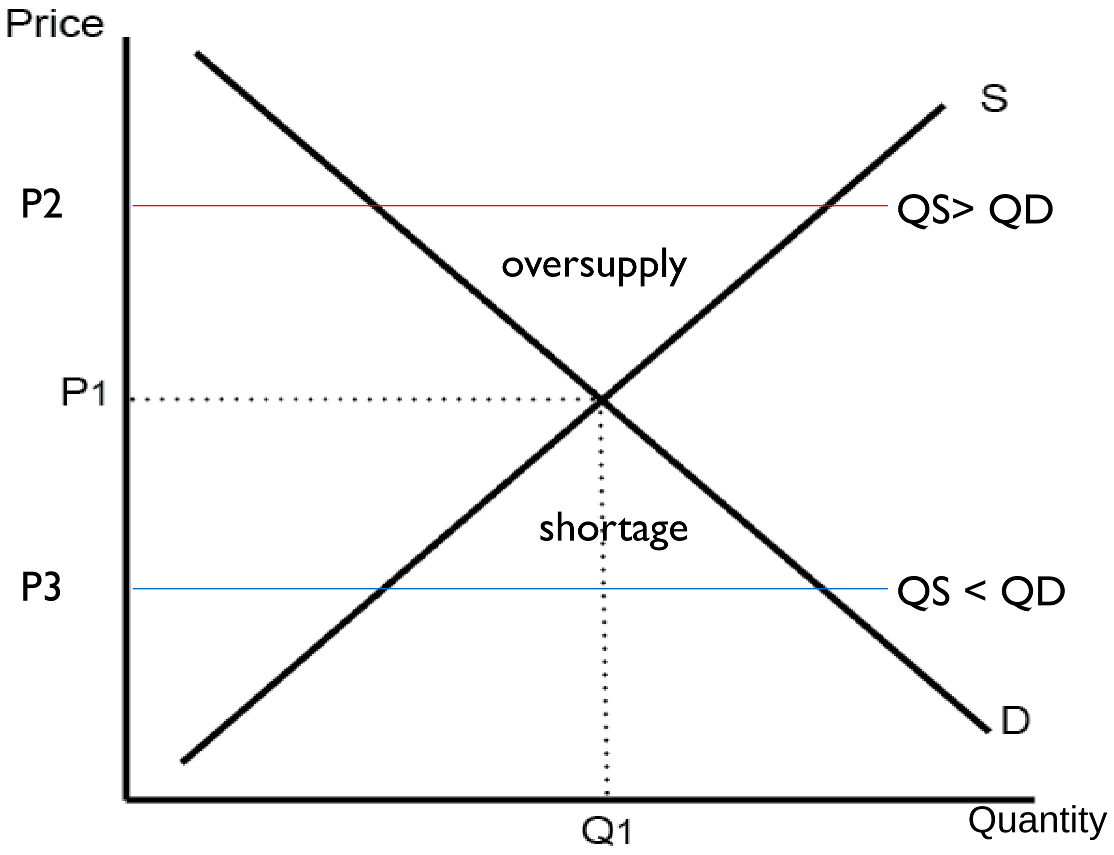


- Shows **quantity supplied** at different prices
- Each individual supplier has a **reservation price** (=minimum price seller is willing to accept)
- If **price offered is below** reservation price, they will **not** sell
- As the **P** goes **up** **Quantity Supplied** (Q suppliers are willing to supply) **increases**
- **Higher prices → greater quantity supplied**

What determines the supply decision?

- Costs
- Technology & innovation
- Input prices
- Taxes & subsidies
- Prices of competitors
- Demand (consumer reservation prices)

How do supply & demand curves meet? how the interaction of buyers & sellers determine p?



Hidden assumptions: perfect competition!

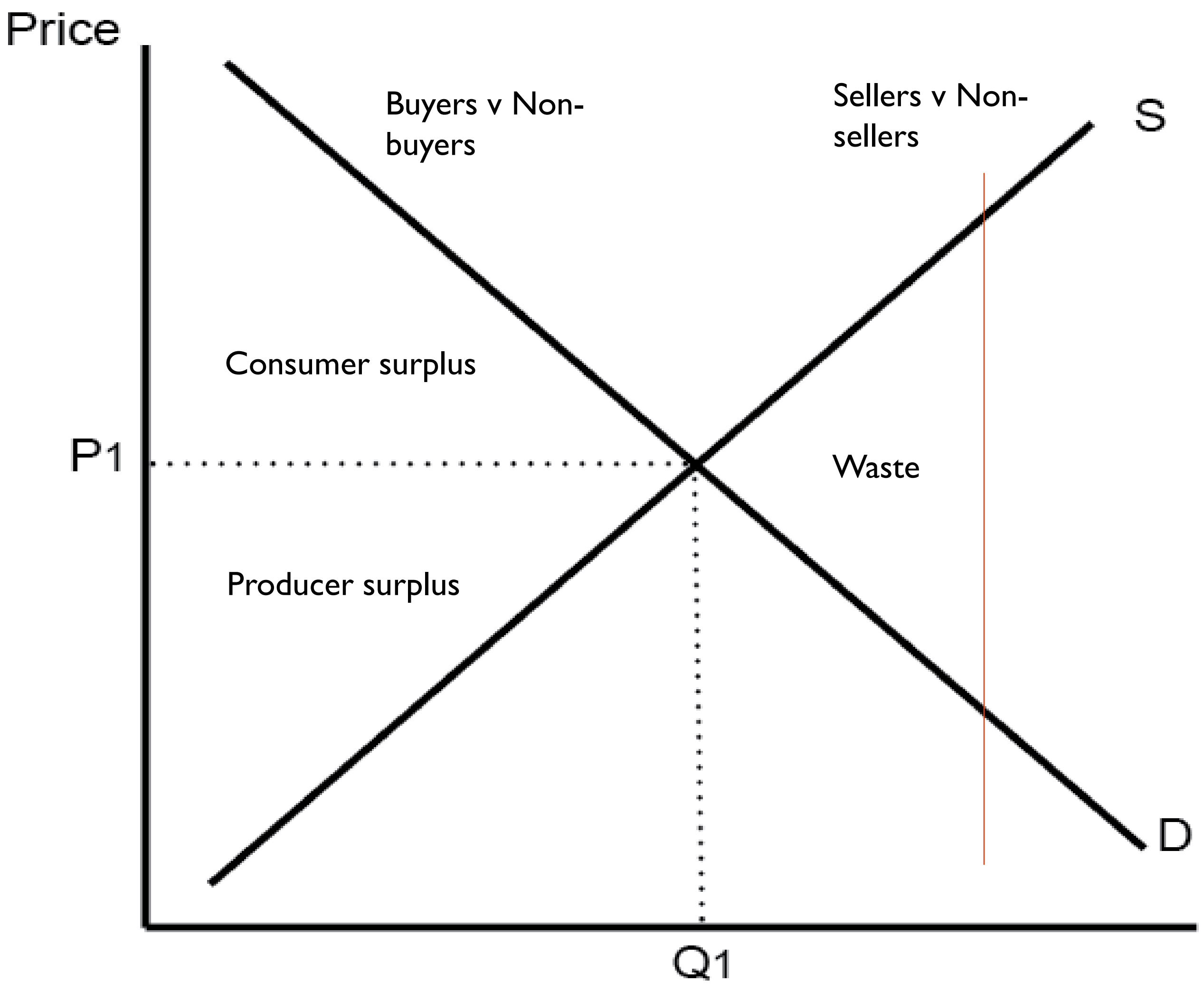
Equilibrium price: p where the QD = QS

! Buyers **compete** with buyers & sellers with sellers !

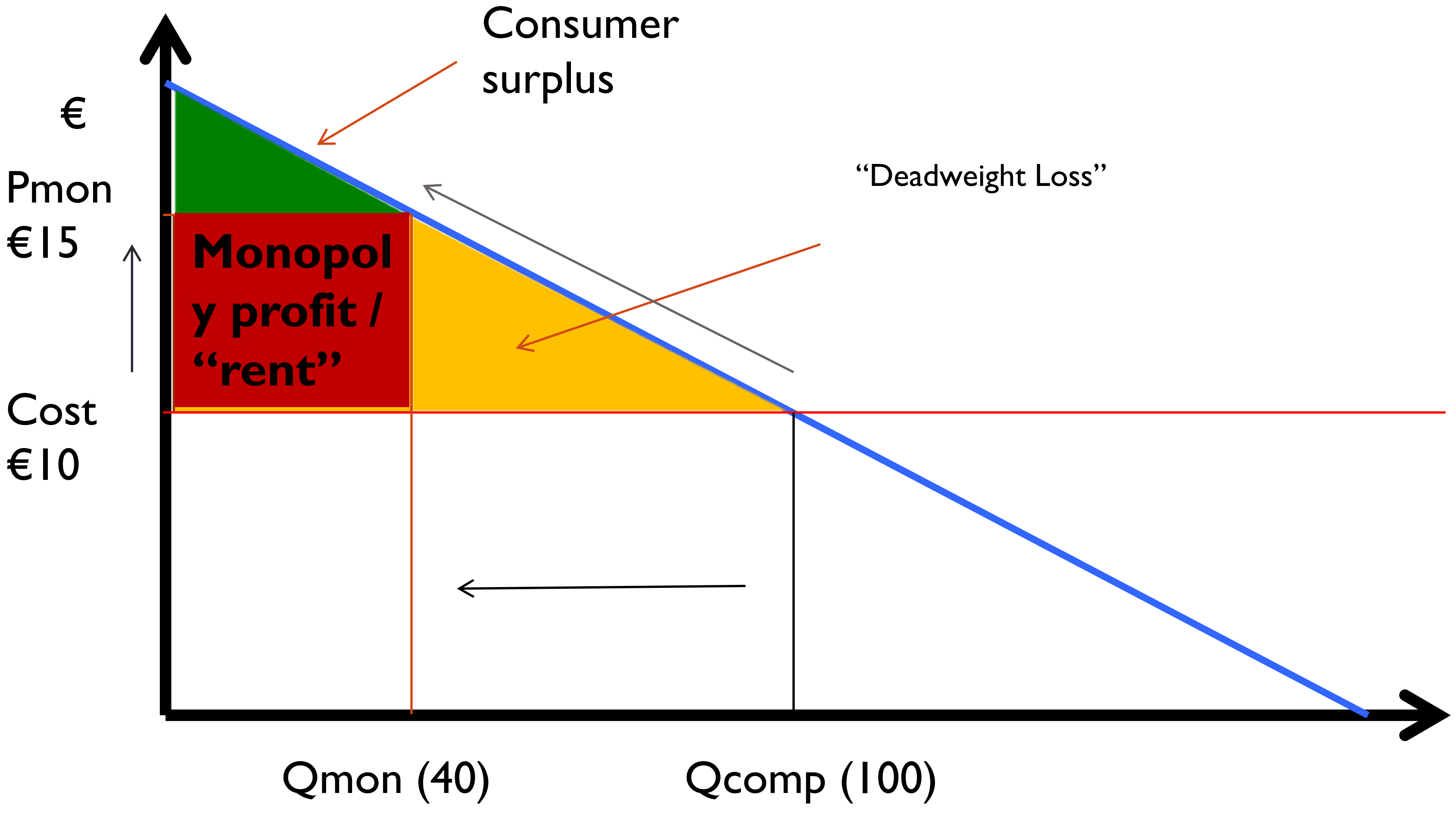
If P(2) (**too high**) QS>QD → **surplus** → price **drops** (suppliers incentive to lower p to outcompete other sellers) → QD = QS

If P(3) (too low) QS<QD → **shortage** → price **raises** (buyers bid up P) → QD = QS

THE INVIDISIBLE HAND OF COMPETITION

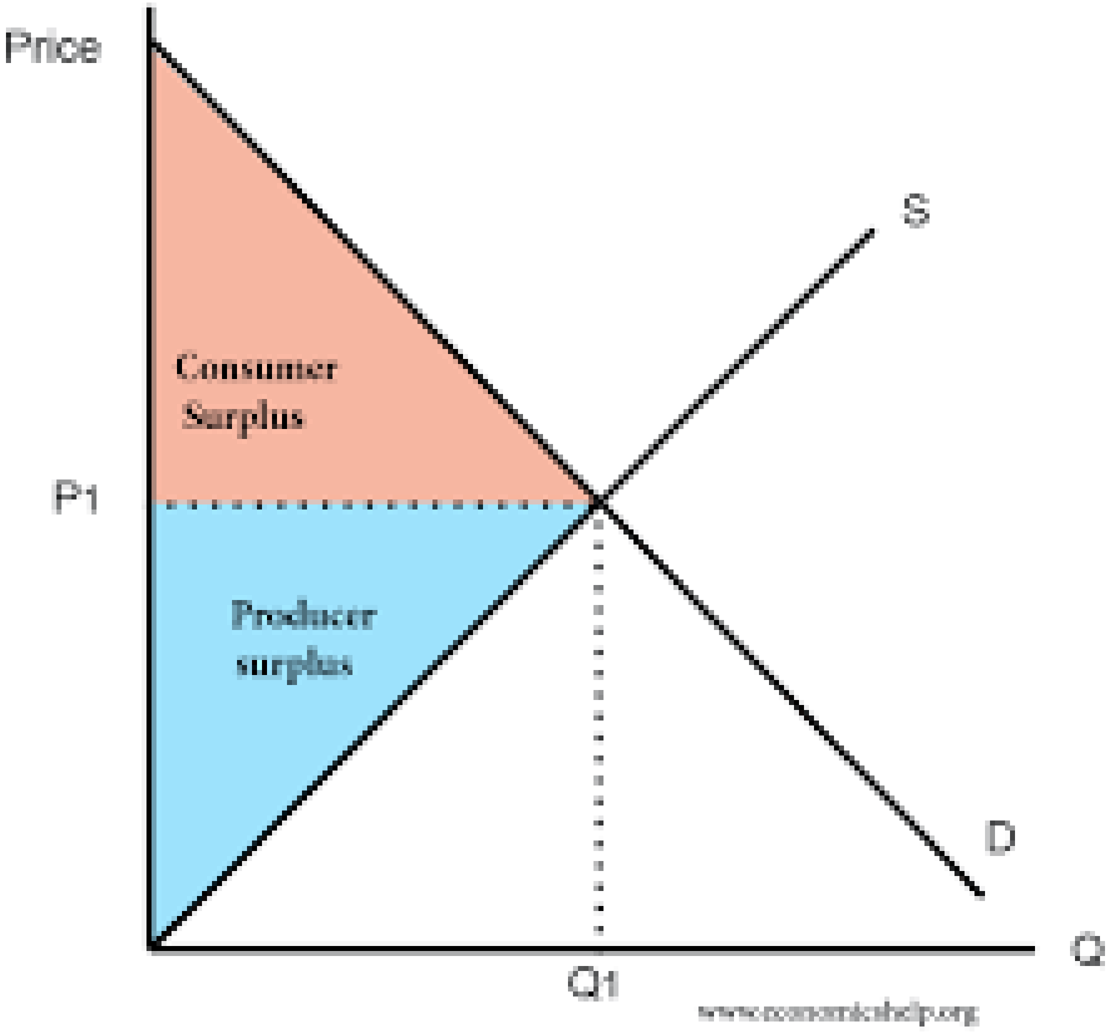


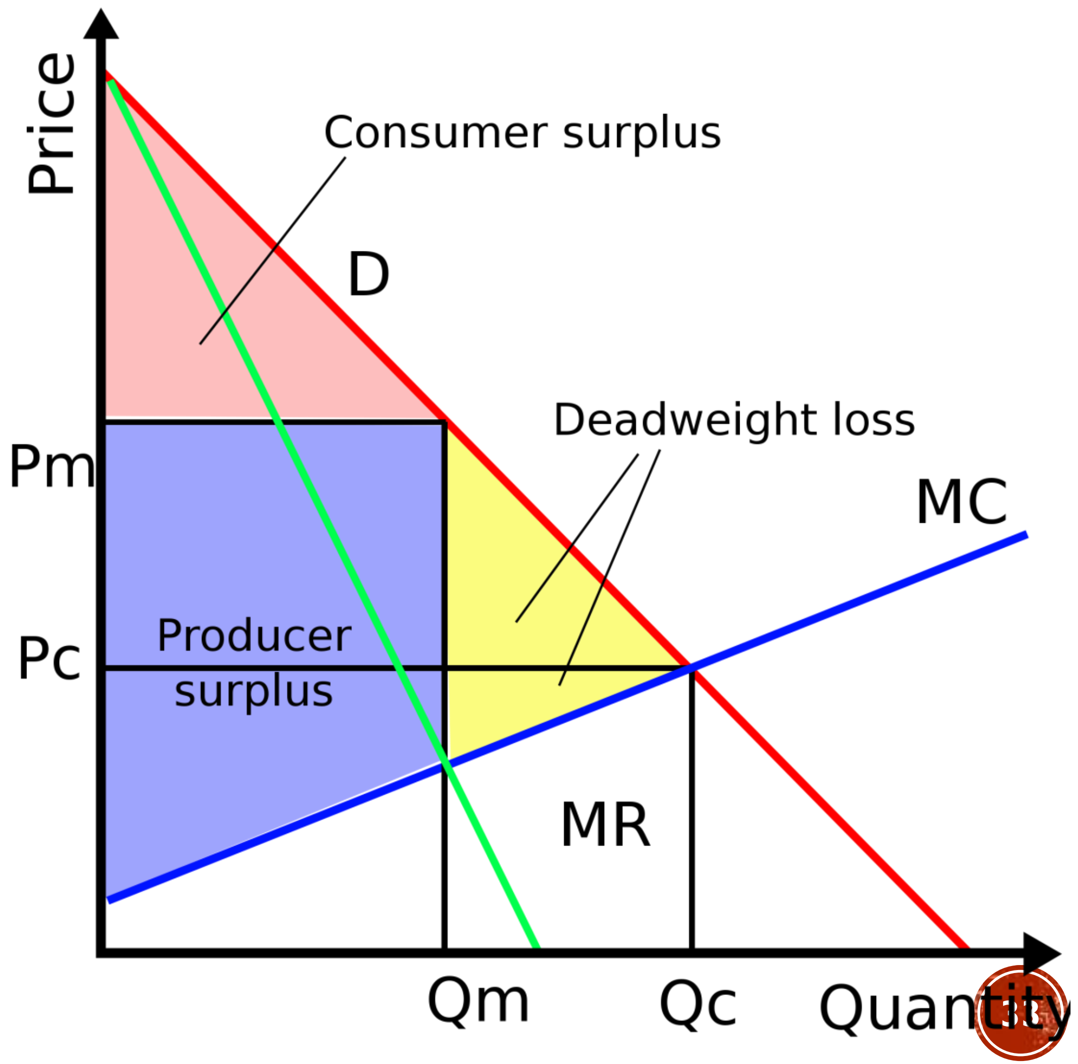
Monopoly



Consumer
surplus
"Deadweight Loss"
€
Pmon
€15
Monopol
y profit /
"rent"
Cost
€10
Qmon (40)
Qcomp (100)

Competition v monopoly





Efficiency

Three main efficiency concepts relevant to competition law:

1. **Productive efficiency**: maximum **output** at the **lowest** cost
2. **Allocative efficiency**: all consumers that **value t**he good > cost of production, get it (CW maximised)
3. **Dynamic efficiency**: new production processes **new products** better working practices and better management of human capital

! Dynamic efficiency involves a trade-off. To invest in better technology may involve higher costs in the short run. But, without this investment and innovation, the firm may be unable to improve over time!

The Social Costs of Monopoly

- **Deadweight loss** : consumer surplus **lost** to society **AND overall output** suppressed even though it is valued higher than cost (**total welfare** loss)
- Remaining consumer surplus **reduced** in favour of producer surplus (**wealth transfer/monopoly profit**) (**consumer welfare** loss)

Inefficient?

- **Allocatively inefficient**
- **Productively inefficient**
- **Dynamically inefficient?**

'Perfect' monopolies are very rare, and (market definition aside) are of little interest to us - **Starting point** to understand more realistic market structures!

So…why do we have competition **law**?

- **Competitive** markets lead to **efficient allocations** of resources where **QS=QD** at the **market clearing price** & **gains from trade** are maximized.
- **All consumers** that value the good above the cost get it
- Only the **most efficient suppliers** remain in the market (cost of production < P(e))
- The economic rationale of competition law is to prevent the **exercise of market power** from creating this **inefficient outcomes** (TW/CW losses).

Market power?

- **Power to control prices and exclude competition** (*Kodak*, 504 US 451, 481 (1992)).
- Ability to **sustain prices above the competitive level** without fear of competitive **constraints** or **entry**
- Power to behave **to an appreciable extent independently** of its competitors, its customers and ultimately of its consumers (*United Brands*, case 27/76, Comm Guidance)
  - Most competition law investigations **will start** with an **assessment** of market power (precondition for competition law intervention).
  - Market power is crucial to the **theories of harm** developed.
  - It is a **matter of degree** (significant/substantial)
  - Need to define the **relevant market**

RECAP

- Competition law involves the use of legal tools to **control** the exercise of **market power** by economic actors, in order to **protect competition** in the market.
- What is market power?

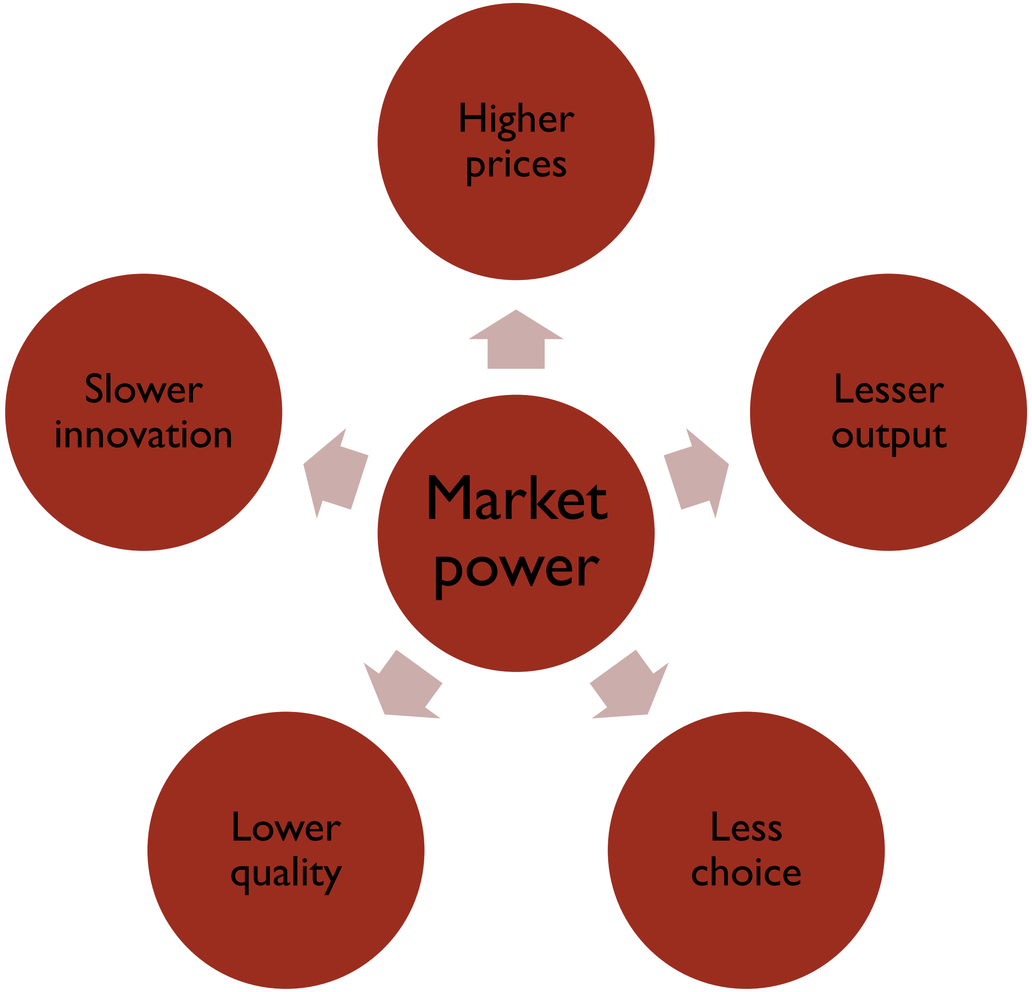
> ***Market power*** *refers to the ability of a firm (or group of firms) to raise and maintain price above the level that would prevail under competition is referred to as market or monopoly power. The exercise of market power leads to reduced output and loss of economic welfare.* (OECD, 1993)

Market power can be exercised individually or collectively!

How can market power impede competition?

- **Collusion:** competing firms act explicitly or covertly to **suppress rivalry** to gain at expense of consumers (**negative impact** on **firms' incentive to compete**). **Direct** distortion of competitive market mechanism for determining price, output, etc, through coordinated action between competitors
- **Exclusion:** the agreement/practice has a negative impact on some **firms'** **ability to compete** (e.g. exclusive dealing may drive rivals out of the relevant market). **Indirect** impairment of competitive market mechanism by excluding rival (raising costs/limiting access) and increasing market power of remaining firm(s)

Anticompetitive Effects



Mechanisms:

- **Collusion** (e.g. price fixing, division of markets, mergers of rivals)
- **Exclusion** (boycots, exclusive dealing, tying, predatory pricing)

Anti-competitive agreements: cartels/cartel-like agreements → to suppress the normal **consumer benefits** of **competitive rivalry**.

Abuse of dominance: unilateral conduct of firms with **substantial market power** → a exclusionary (foreclosure that **harms consumers**) or exploitation (directly harming consumers) conduct

Merger control: combinations → substantial lessening of competition & **consumer detriment**

Cartels

Supplier

Supplier

Supplier

Agree to collectively raise price or limit some aspect of competition

Monopolization

Charges very low prices

EXCLUSION

Distributors & Points of sale

If Pepsi **excluded** from the relevant market → consumer will **pay more** & have **less** choice

Anticompetitive Mergers

Close rivals → substitutes

The merger **would remove existing competition** between the two closest competitors on the Irish routes

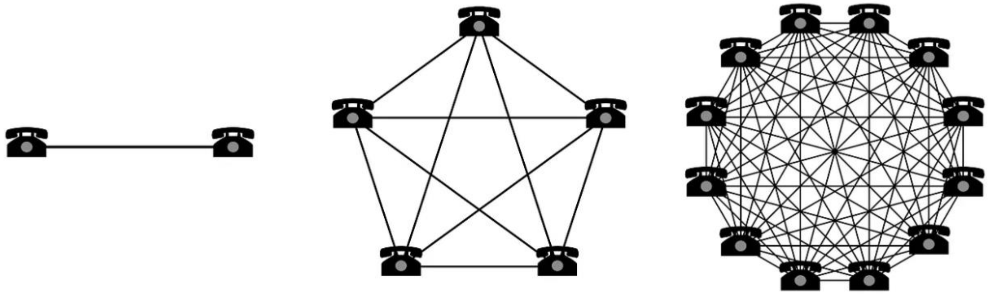
New entity can profitably increase prices without losing customers

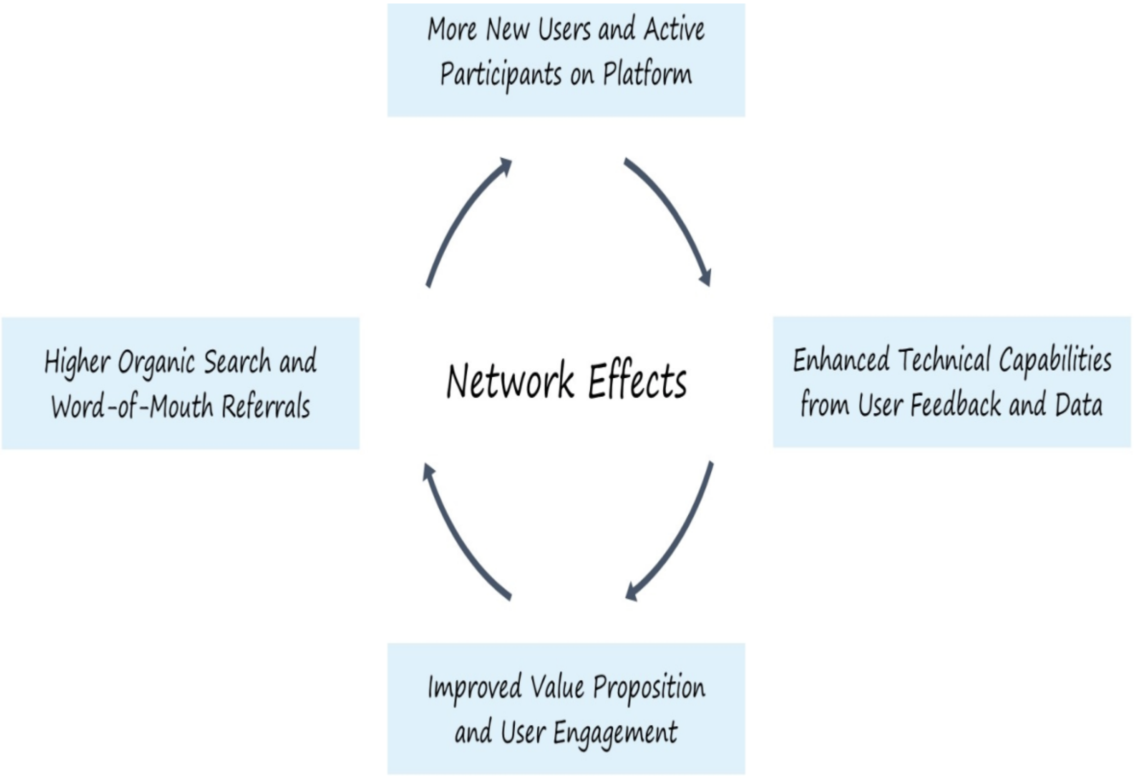
So… we have competition **law** to prevent the negative effects of **market power**

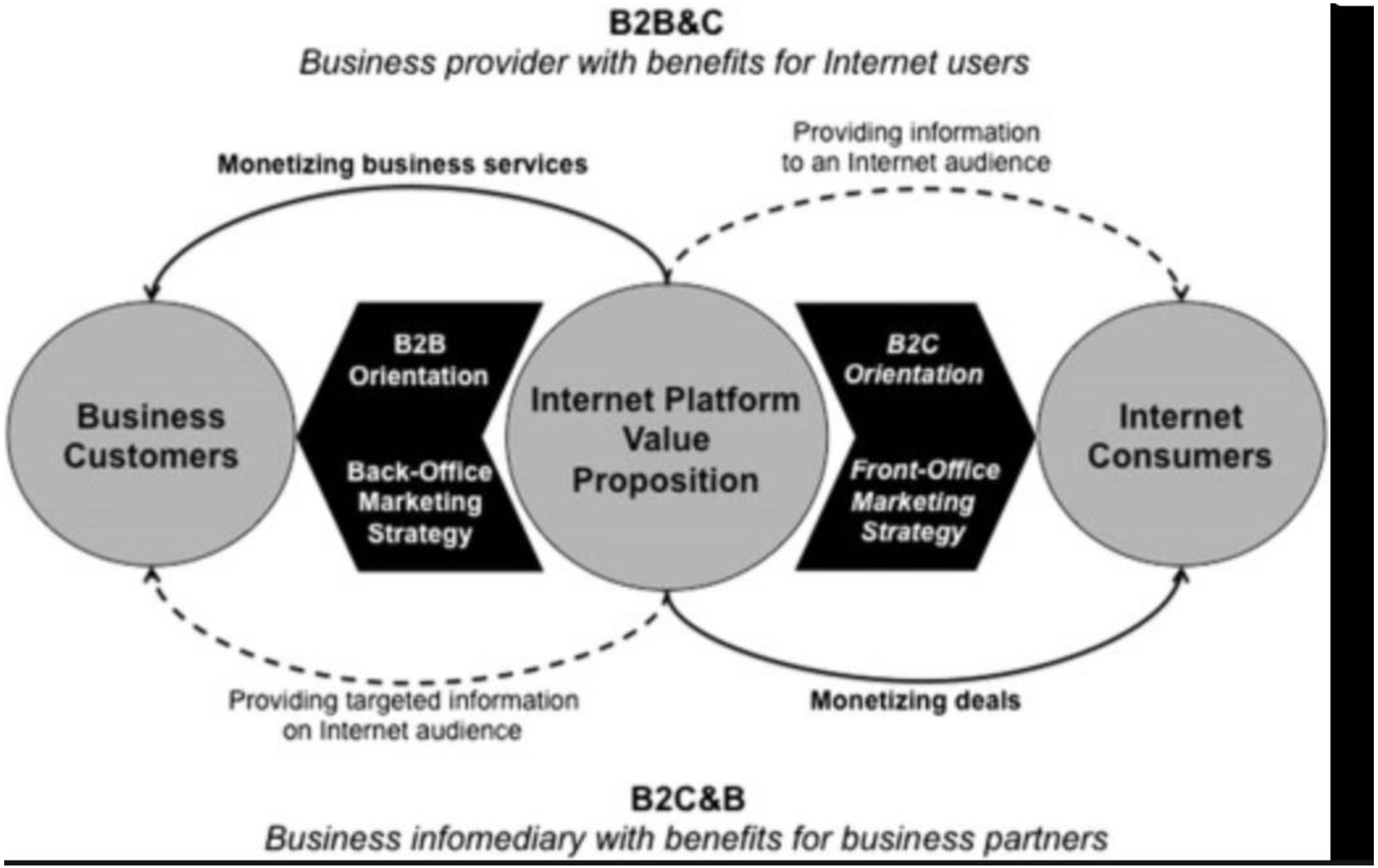
Designed for the **economy of the tangilbles**!
Focuses on **price** and **ouput**!

What changes in digital markets?

Information: (once created, information can be transmitted to a large number of people at very low cost) → **extreme returns to scale**.

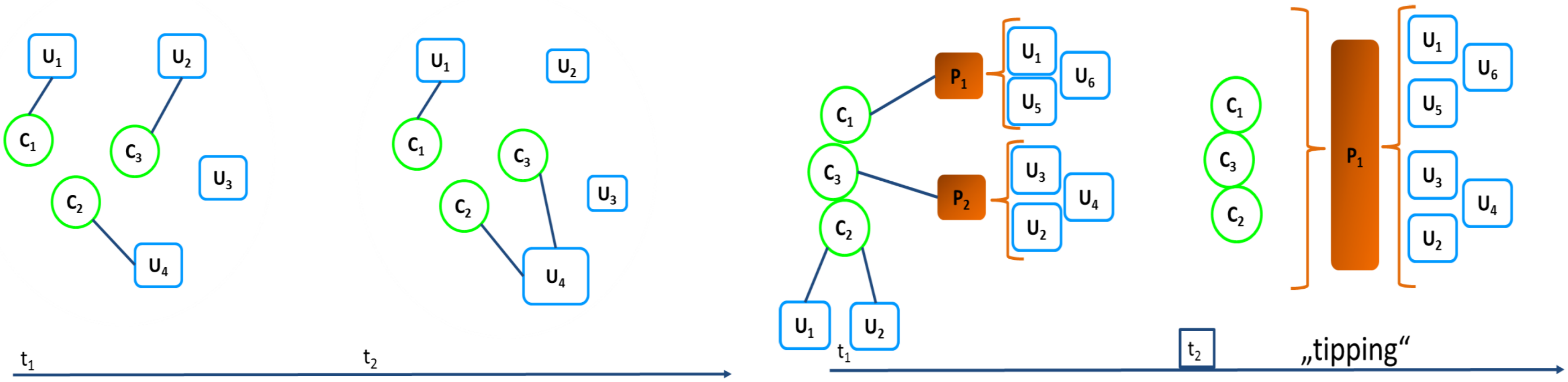






Revenue of the three biggest two-sided marketplaces

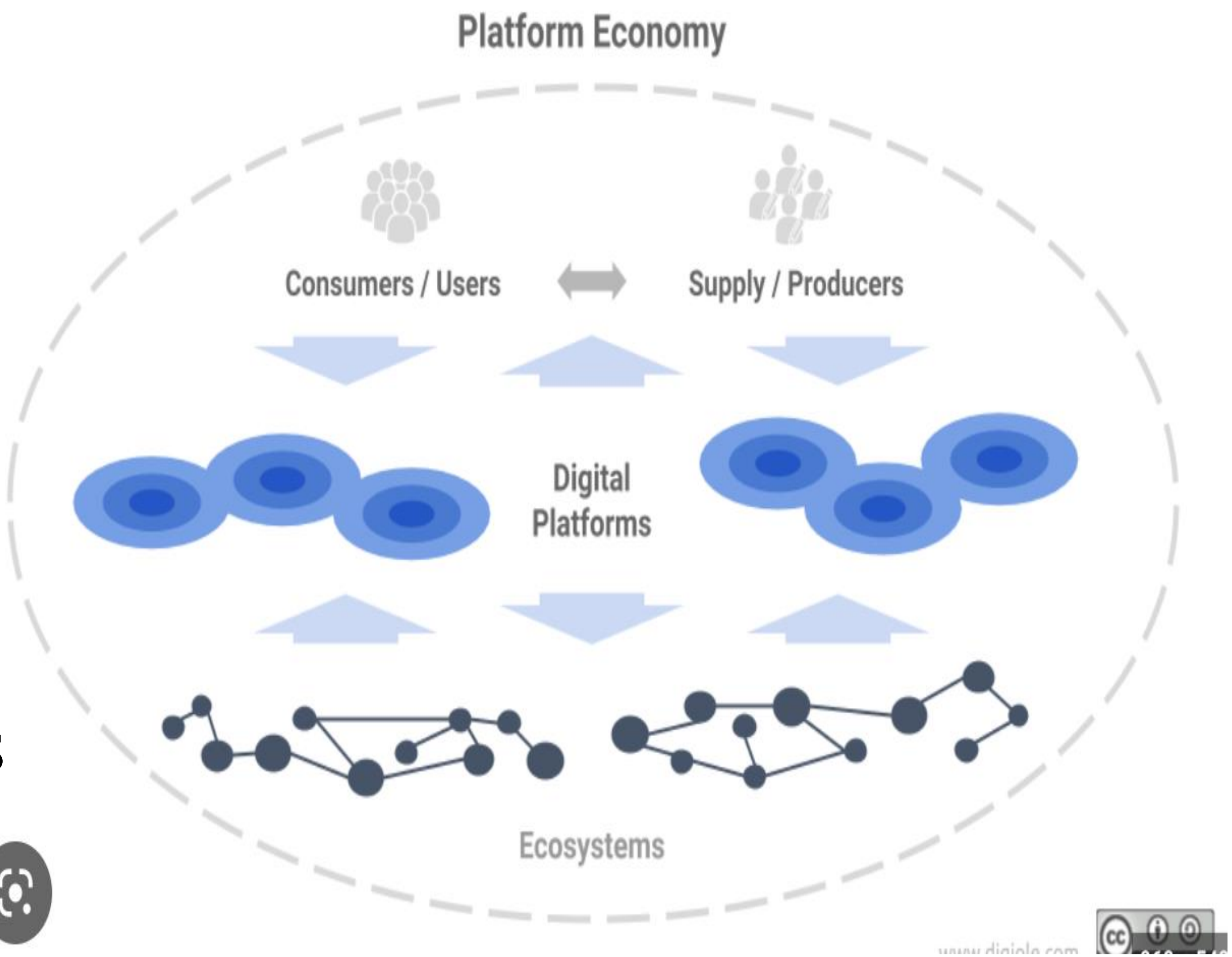
Tipping points & the **Platform economy**: competition at the periphery



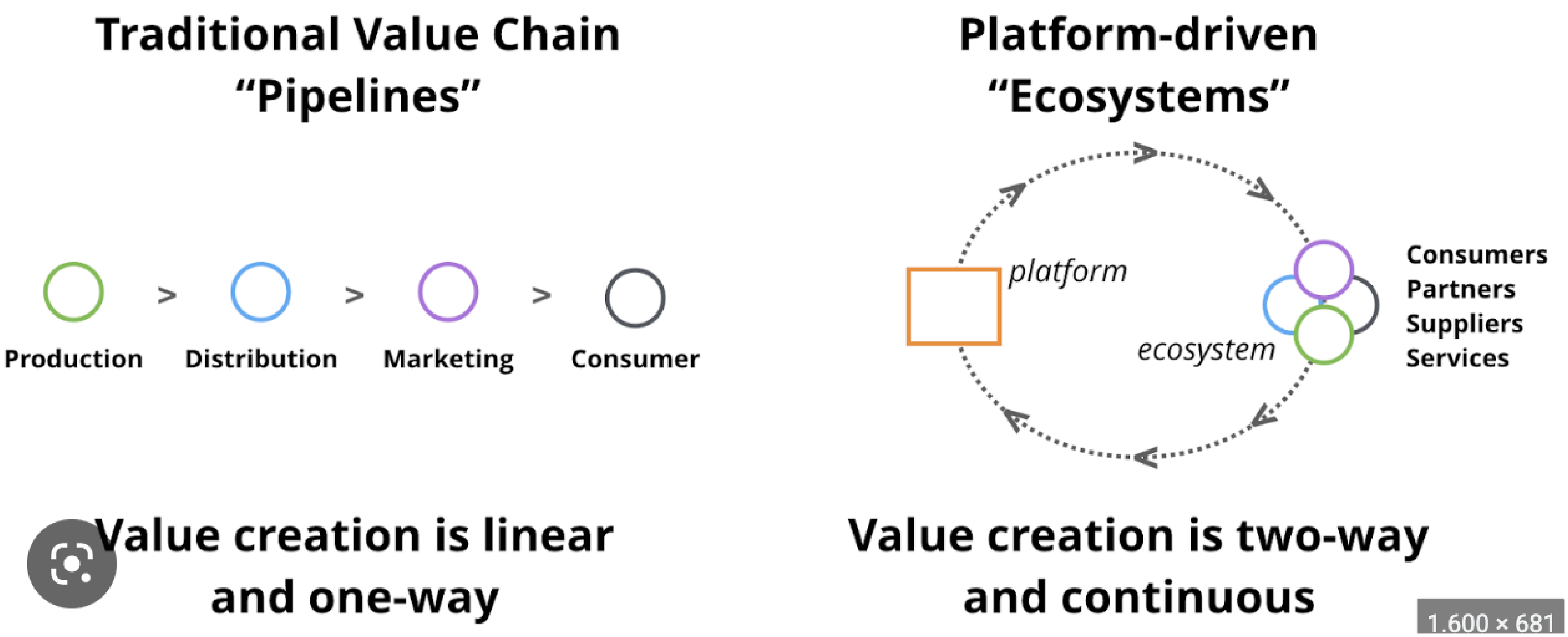
- **Dynamic** v **static** competition (perfect competition v monopoly models outdated?)
- ***Competition for the market*** instead of ***competition in the market*?**

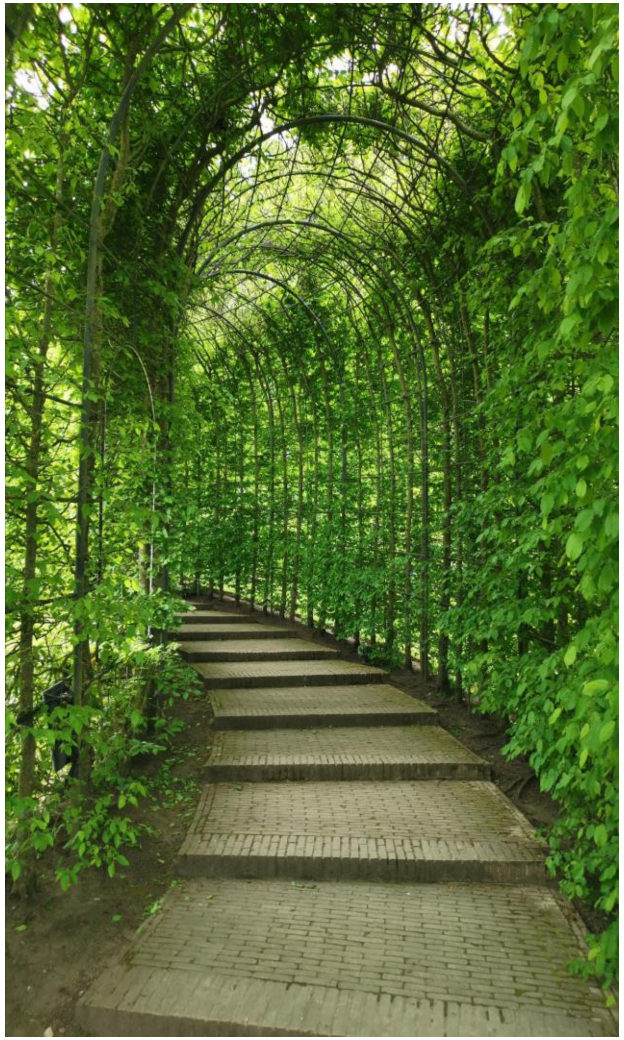
From markets/platforms (neutral intermediaries) to ecosystems.

Not markets but algorithmic simulations of markets!



Value creation & extraction changes!





Epic v Apple (2021):

Epic challenged the **30% revenue cut** that Apple takes on each purchase made in the App Store. Wanted to **bypass** Apple (Fortnite) (Apple → **anti-steering clauses**)

Court decided in favor of Apple on 9/10 counts, but found against Apple on its anti-steering policies under the California Unfair Competition Law.

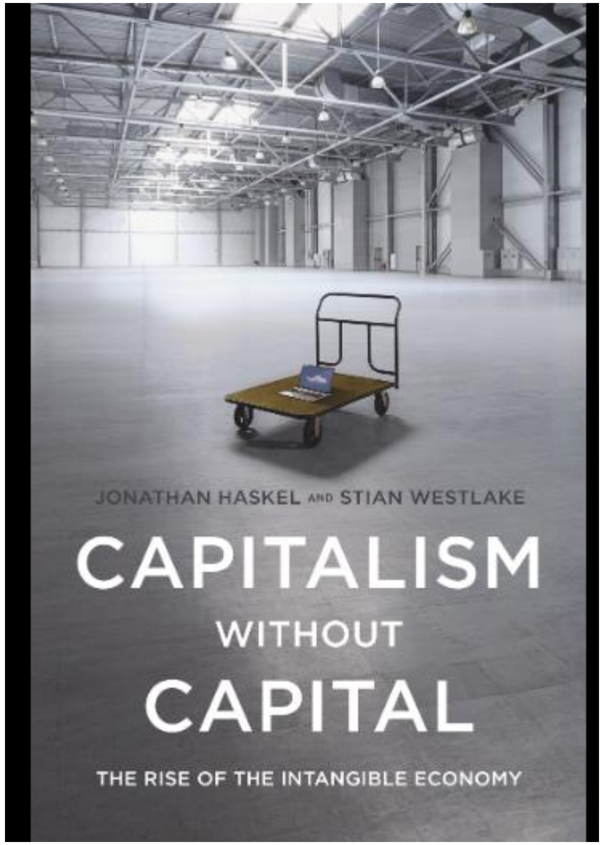
A world of ecosystems?

From Platfroms to ECOSYSTEMS

- Concentration can be desirable (Platform economy). But: **incumbency advantage**
  - “Platforms beat products all the time”
- From platforms (**neutral intermediaries**) → **ecosystems**/ digital conglomerates/gatekeepers
  - Amazon MarketPlace
- From **market power** → **ecosystem power** & **architectural advantage**?
  - Suppliers do no longer **have direct access** to their customers
  - Control of **the flow of information and transactions:** may reduce or bias information that is **provided to** the suppliers, it may **impair the selection process** of suppliers and may set conditions that completely exclude certain decisions
  - GAFA-companies **stabilize their market position** as platform operators in **one segment** & leverage their power

Intangible assets

Definition: assets that typically involve the deevelopment of specific products or processes or are investments in organizational capabilities, creating or strengthening product platforms that position a firm to compete in certain markets (e.g. Microsoft's investments in R&D, thee value of its brands, human capital built up by training)



- Measurment conventios change
- The basic economic properties of intangiblees make an intangiblee-rich econnomy beehave differently froma tanglible-rich one
  - Represented as sunk costs
  - Generate spillovers
  - Scalable
  - Synergies

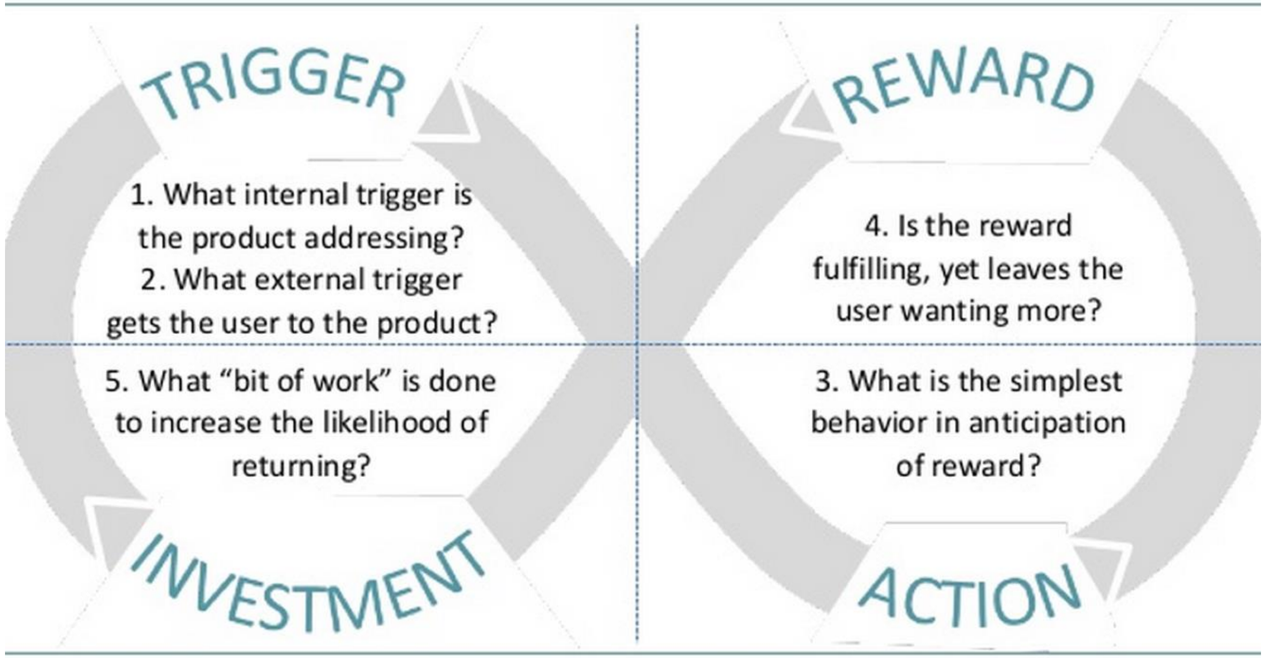
The Age of Big DATA & MACHINE LEARNING

Heterogeneity & **various uses**

- ✓ **Volunteered**, **observed**, and **inferred** data. The type of data might influence the **capacity of competitors** to gather or obtain the same information independently.
- ✓ Can be collected & used in different forms: **individual-level** data, **bundled individual-level data** used anonymously, **aggregated-level** data, and **contextual** data. Generated at different frequencies, and data access can either concern historical or real-time data.
- ✓ Data can be **personal** or non-**personal**.
- ✓ Can finally be requested and used for many different reasons (e.g. to provide complementary services, or for the purpose of training algorithms).

New product design, business models & strategies

Habit: the **monopoly of the mind**



There is an upward discontinuity in demand when the price reaches zero!
The more you use the product it appreciates (it does NOT depreciate)

- **Price** is not the only or most important dimension of competition (e.g. competing for

Consumer behavior & biases

Behavioural biases & digital autonomy
- Status quo bias
- Stickeness
- Default settings
- Framing guides your attention

Coordination problems: even if users would all be better off if they migrated *en masse* to a new platform, they would not necessarily have an *individual* incentive to move to the new platform

Staying convenient - High switching costs

Platforms operators may, to a large degree, **pre-form or manipulate** the decision-making process of users or even **eradicate** it (*incapacitating consumers*)!

Going beyond **neoclassical economics** (rational consumers & utility maximisation)
See **behavioural economics** (bounded rationality & satisficing: not optimal but acceptable)?

New possibilities to restrict competition

- **Incapacitation of consumers** (dark patterns; default bias, lock-in)
- **Algorithmic collusion** (sellers can increase price without communicating → no violationn)
- **Incapacitation of rivals** (*Google Shopping, Google Android*)

New Anticompetitive strategies

- ❖Foreclosing access to data - Data bottlenecks (duty to share?)
- ❖Interoperability torpedo (duty to make interoperable?)
- ❖Exclusion torpedo (forcing constestability?)
- ❖Copycat torperdo via nowcasting technology (new theory of harm?)

So what changes do competition law face?

- **How to define markets?**
- **How to understand market power?**
- **Should we reconceptualise anticompetitive effects?**

Yoogle is a multinational technology giant, operating in many market segments across the digital economy. These include its market-leading online search engine, as well as email services, digital maps, a digital library of ebooks, a comparison shopping service (providing product comparisons and links to websites where the products can be purchased), and a news service (providing news snippets with links to the full news articles). . All of these services are provided free of charge to consumers. Recently, however, rival tech companies that compete against Yoogle in these latter markets have begun to complain about how Yoogle displays results in its search engine. Specifically, they allege that Yoogle systematically favours its own products in listing search results, regardless of their relevance to the initial search terms used by the customer. The impact of this preferential treatment, it is claimed, is that customers are more likely to use Yoogle's other products, irrespective of whether these are the best available or best suited to the customer's own needs. Customers lose out as a result, because they receive misleading information. What's more, rival companies operating in the email, mapping and comparison shopping markets are seriously disadvantaged in competing against Yoogle, and in some instances, are even struggling to stay in the market.

Some important Questions

How to deal with leveraging of market power in digital markets?

How to weigh benefits to consumers such as Joanne against the potential harm to competition?

How to find appropriate remedies for this type of behaviour?

Do you think that this practice is harmful to competition?

- Property
- Freedom
- Fairness
- Efficiency
- Process of rivalry

What might be the arguments in favour of intervening in this case?

Preferential treatment (results manipulation?) →

1. Merchant platfroms & websites AND CSEs: **NOT sufficient competitive constraint**
2. Potential harm to competition in comparison shopping services → **exclusion of competitors**
3. Y **forecloses** the markets & reduces **choice** for consumers: Increased prominence (dedicated space reserved at the top of results page) & demotion Y (actively adjusts downwards the position of competing comparison shopping services) → a **smaller variety** of visible comparison shopping services
4. Stalls **innovation**
5. **Quiet life** of the monopoly
6. harms the **consumers** (e.g. overcharges)

Against?

Presumption of freedom/harm principle/property rights: Need to demonstrate a harm!

Where is the **harm**?

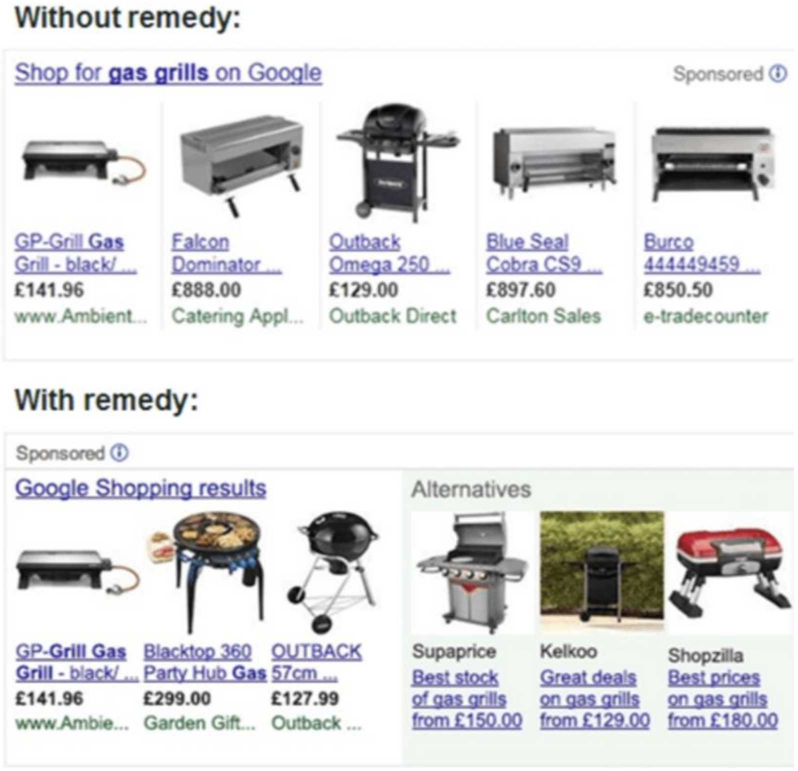
1. Consumers suffer because Yoogle is **efficient** (Yoogle's method revolved around links between pages as a primary metric for page relevance, and significantly improved search functionality)
2. Competitors' less traffic is a by-product of Y **enhancing the consumers' experience**
3. The merchants **compete against each other** for positioning in those results.
4. If consumers routinely don't like the results they get on Google, they can search elsewhere. **Competition is just a click away**
5. Consumers benefit from the **high-quality free service**
6. **Another tech company** can come up with a new search engine
7. Comparison shopping engines (CSEs) can **compete in the internet** or **access** the consumer through channels
8. ***"[t]he successful competitor, having been urged to compete, must not be turned upon when he wins"*** (*Alcoa*)
9. Challenging Google's **product design decisions** in this case would require the Commission – or a court – to second-guess a firm's product design decisions
10. If Y removes its Product Listing Ads **TAMAZON is the big winner**!

PLAs overwhelming success from a **revenue** and **search share** standpoint.
Product searches increased **45%** 2016.
PLAs accounted for 52% of Google **ad clicks** in Q1 2017

What is the legal test against which the legality should be assessed?

- Self-preferencing unlawful irrespective of effects
- Self-preferencing lawful irrespective of effects
- Self-preferencing unlawful after a case-by-case analysis → what effects?

Figure 3 Display of Google 'OneBox' without and with the proposed remedy



Google Shopping - 2.42 bn fine

- What is the relevant market?
- What is the abuse?
- What is the harm?

What is the Abuse?

•1. **Ultra-dominant position** (**gateway to the internet**) & very high BtE (§ 182) → **stronger obligation** not to impair genuine undistorted competition (§ 183)

•2. Adopted the **converse** economic model from the one that brought it success → certain **abnormality** (§ 176, 179)

•3. Used its dominant position to **leverage** to favour its own CSS and demote rivals (§ 167) → **no equal treatment**

•4. **Specific characteristics**: (i) **importance of traffic** (→ machine learning & big data → network effects §170, 171, 178); (ii) **behaviour of users** (§172) (iii) diverted large portion of traffic from competing CSSs that **cannot be effectively replaced** (§ 169, 170, 173) → relevant circumstances capable of characterising the existence of practices falling outside the scope of competition on the merits (§174)

•6. General obligation of **equal treatment** – **non-discriminatory access** – **equal opportunity to compete** (§180)

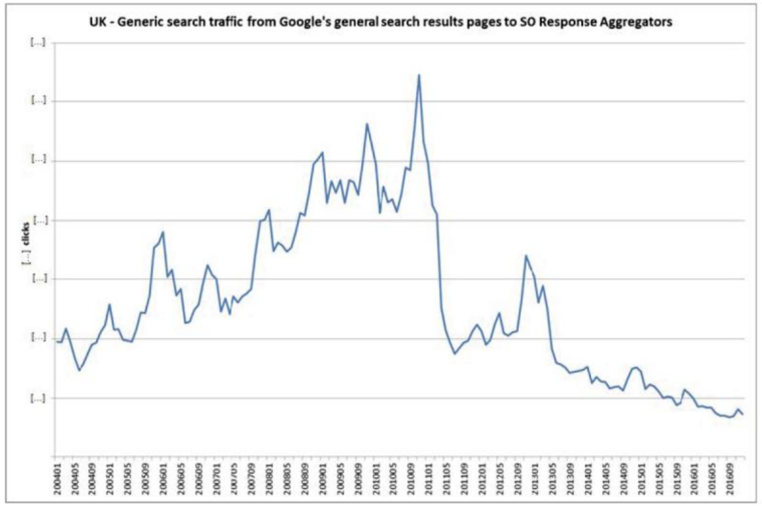
Abusive leveraging

Anticompetitive Effects?

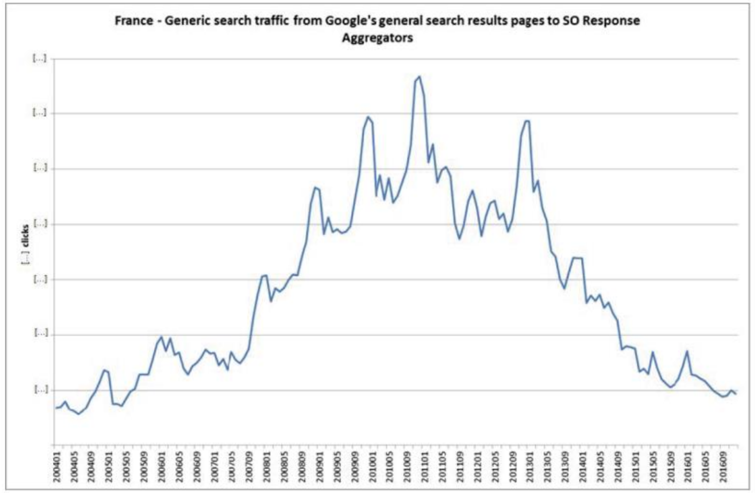
- For a period of 6 y (2010-2016) the **visibility of competing comparison shopping** services on Google's general results pages, … **had suffered a sudden drop** after the launch of the Panda algorithm and never recovered (§59)
- UK (2008- 2016) **decrease** from approximately 25 M to approximately 5 M clicks per month for CSSs & **increase** from 0 to approximately 350 M clicks per month for Google's CSS (§ 403).

Anticompetitive Effects?

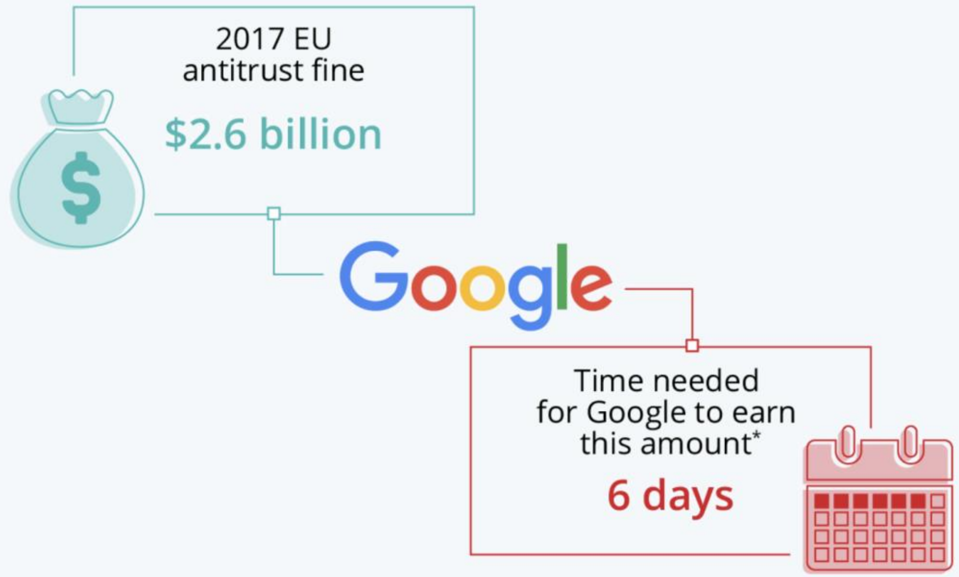
Graph 27: United Kingdom – Generic search traffic from Google's general search results pages to the 361 SO Response Aggregators



Graph 28: France – Generic search traffic from Google's general search results pages to the 361 SO Response Aggregators



Google's Contested EU Antitrust Fine is Peanuts



* Based on Alphabet's total revenues in 2019
Fine was issued in EUR (2.4 billion)
Sources: Alphabet, Reuters

Remedial design

Option 1: Cease and Desist - Make Google a Relevance-Based Search Engine Again

What this would look like is up to Google…

10 blue links? | Similar to now? | Something else?

But:

- No self-preferencing—selection and placement based entirely on likely relevance to the user's query, and
- No anti-competitive penalties (by design or effect)

Amazon Marketplace: copycat strategy + preferential treatment

Dual role → access to large data sets

FTC simillar case:
Amazon artificially raised prices by prohibiting third party sellers from discounting/forcing them to use its logistics

Amazon Marketpace Commitments

Amazon promised:

- not to use non-public data relating to, or derived from, the independent sellers' activities on its marketplace, for its retail business OR to sell its private label products.
- to treat all sellers equally when ranking the offers in the Buy Box
- to set non-discriminatory conditions and criteria for the qualification of marketplace sellers and offers to Prime; & allow Prime sellers to freely choose any carrier for their delivery services.
- Duration: 7 years

I

(Legislative acts)

REGULATIONS

REGULATION (EU) 2022/1925 OF THE EUROPEAN PARLIAMENT AND OF THE COUNCIL

of 14 September 2022

on contestable and fair markets in the digital sector and amending Directives (EU) 2019/1937 and (EU) 2020/1828 (Digital Markets Act)

(Text with EEA relevance)

Sector-specific regulation: Digital Markets Act

Recital 10:

- *This Regulation pursues an objective that is* ***complementary*** *to, but different from that of protecting undistorted competition on any given market, as defined in competition-law terms, which is to ensure that markets where* ***gatekeepers are present*** *are and remain* ***contestable*** *and* ***fair****, independently from the actual, likely or presumed effects of the conduct of a given gatekeeper covered by this Regulation on competition on a given market.*

The instrument does not require to establish the **anticompetitive object or effect** of a practice; and leaves no room for **efficiency considerations**

The Digital Markets Act

The DMA is structured as follows:

- Scope of the instrument:
  - '**Core platform services**', including search engines, social networks, video-sharing platforms or operating systems
  - Gatekeepers are the providers of core platform services that fulfils three criteria:
    - '**significant impact** on the internal market'
    - 'operates a **core platform service** which serves as an **important gateway** for business users to reach end users'
    - 'enjoys an **entrenched and durable position** in its operations or it is foreseeable that it will enjoy such a position in the near future'
- Obligations: providers characterized as gatekeepers are subject to the obligations set out in Articles 5 to 7 of the instrument

The substantive obligations seek to restructure the market in three main ways:

Changing the operation of the gatekeeper's core market

Opening up layers of the value chain to third parties (unbundling)

Regulate the terms and conditions of competition in open markets