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For immediate release

Press release

European Commission publishes Oxera et al. study on quantifying antitrust damages

The European Commission's DG Competition has today published an independent report on quantifying antitrust damages by Oxera and a multi-jurisdictional team of lawyers led by Dr Assimakis Komninos, with economic assistance from Dr Walter Beckert, Professor Eric van Damme, Professor Mathias Dewatripont, Professor Julian Franks, Dr Adriaan ten Kate and Professor Patrick Legros.

Enforcement of the European competition rules continued at a steady pace during 2009, with total fines amounting to €1.6 billion in six price-fixing cartels. However, fines are not the end of the story for infringers of competition law because customers and competitors can also claim compensation before a national court. The Commission has promoted private actions for damages by victims of competition law and there has been an increase of such actions in courts across Europe. However, the lack of clarity on how to quantify damages in such actions can be a practical barrier. One of the obstacles to damages actions is the uncertainty over the quantification of the harm suffered—which types of method are acceptable? What methods are feasible? What is best practice for estimating damages? This economic and legal study published today is a step towards such guidance.

Dr Gunnar Niels, Oxera Director, who led Oxera's work, said:

This study will be of use to both defendants and claimants involved in litigation in antitrust damages cases. It will also assist judges when deciding on these matters as it helps bring clarity on how harm from anti-competitive conduct can be quantified and on current practice across courts in Europe and elsewhere.

The study sets out the methods and models that can be used to quantify the harm caused by anti-competitive conduct. It also provides a range of further insights from economics and finance that aid the use of the methods and models. For example, it provides insight into how to assess the degree of pass-on of overcharges that has occurred.

Robin Noble, Managing Consultant at Oxera, one of the authors of the study, noted:

The focus of this study is on antitrust damages actions, such as those related to cartels and exclusionary conduct. However, the methods and models presented in the report are also relevant for many other types of damages action, ranging from contract disputes to securities litigation.

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Notes to editor:

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- our reputation for credibility and integrity with policy-makers, regulators and legal authorities, which is of critical value to our clients and has been created through our long-standing emphasis on quality and independence;
- our experience and unique ability to combine the fields of competition, financial, regulatory and quantitative economics, which, together with in-depth sector knowledge, provide the ingredients for respected economic advice.

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