



FEDERAL ANTIMONOPOLY SERVICE

COMPETITION LAW IN THE DIGITAL ECONOMY

September 19, 2017, Veliky Novgorod

Russian Competition Week

Economy novations – control novations

- **Innovations**

Intellectual Property

- **Globalization**

Transborder markets

- **Big data – capital of the digital economy**

Mechanisms of market power's formation

Digital platforms

New products and new markets

- **Digital algorithms**

New ways of business activity

- **Market systems**

Involving many sellers and consumers

- **Resolving violations: investigations and impact assessments**

Protection of competition without any exemptions and innovation promotion

- **Economic concentration – data becomes a great asset**

Assessment of systematic implications

- **Market analysis as a system**

Detection of all interrelations of systematic market's participants

- **Investigation methodology**

Economic analysis, technical analysis, impact evaluation

New system of activity and impact assessment

- Direct and indirect network effects
- Simultaneous use of several services and possibility to switch
- Big data use, necessity and effects
- Economy of scale
- Impact in the sphere of innovations – in long-term perspective

Features of commodity market's analysis

Manysidedness, connectivity with other goods – assessment of all aspects of a market and its interrelations that influence the behavior of sellers and buyers, determination of product boundaries of a market, determination of the undertakings' market shares.

Global character of turnover – determination of geographic boundaries of a commodity market with regard to the activity of sellers, buyers, and, perhaps, national features of consumption (including regulatory requirements for commodity circulation or goods connected with it).

Diversity of monetization methods – determination of product boundaries of a market, group of sellers and buyers, also with regard to commodity circulation in adjacent markets. The fact that a product (or a service) are provided to consumers free of charge doesn't mean that the seller doesn't generate an economic benefit.

IT products – features of circulation

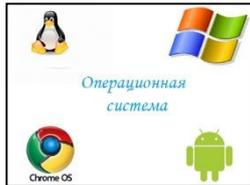


Product: software, services, functionality of which is shown by using hardware



1. Inextricably linked to circulation of certain type of hardware.
2. A group of sellers or consumers or affecting persons can be determined.

1. Introduced in different devices.
2. It is hard to determine a list of sellers or consumers or affecting persons



Quantative method of market shares' determination can be used

Data of analytical and consulting organizations can be used

Qualitative assessment of market power can be used

Regulation issues

- ✓ Is it necessary to change terminology of the antimonopoly legislation?
- ✓ Is it necessary to introduce new tools of the antimonopoly control?
- ✓ Should we divide the antimonopoly legislation and the intellectual property?
- ✓ Should we press foreign companies to fulfil requirements of the antimonopoly legislation?

Thank you for your attention