


When hard evidence really matters*

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*connectedthinking

PRICEWATERHOUSECOOPERS 

What others say about us...

PricewaterhouseCoopers (PwC) has been ranked amongst the top five leading competition economics firms by the Global Competition Review (GCR) three years running. The GCR has noted that “PwC is the UK economics firm with the highest number of competition specialists” and that “PwC competition specialists have access to an unprecedented range of industry specialists”.

Global Competition Review 20 (GCR 20)

“I have been extremely pleased with PwC’s overall input. I found that PwC’s core skill of being able to translate complex economic arguments into understandable commercial language to be invaluable”.

Michael Warren, Head of Creditor & Protection, HBOS.

“PwC offer a wealth of technical expertise and their economic advice to BHB has consistently been of the highest calibre.”

Greg Nichols, Chief Executive, British Horseracing Board.

“I have worked with the PwC competition team on a number of cases. They have always been a joy to work with because they make insightful economic analysis comprehensible to lawyers and judges.”

Maya Lester, Barrister, Brick Court Chambers.

“PwC enabled both the Commission and management to gain new insights into our business and this is testimony to the depth, quality and credibility of their work. Over the past five years we have come to rely upon these qualities as the PwC team assists Vodafone in proceedings around the world.”

Richard Feasey, Public Policy Director,
Vodafone Group Services Ltd.

“As the Interim Monitor in the matter of Proctor and Gamble’s acquisition of Gillette, the conscientious execution of your responsibilities pursuant to the Commission’s Decision and Order in this matter contributed significantly to achieving the purpose of the Order.”

Daniel P. Durocre, Assistant Director,
Federal Trade Commission.

Hard evidence matters

More than ever competition authorities are relying on empirical and quantitative analysis in their decision making. Whether looking at market definition, efficiencies arising from a merger or agreement, how prices compare to costs, the viability of business plans in State aid investigations, or the extent of damages from anti-competitive conduct, hard evidence matters.

This is where we come in.

PwC's competition specialists combine traditional industrial economics analysis with strong quantitative skills, fluency in finance, and in-depth industry expertise, to provide expert analysis, evidence and testimony.

We advise market-leading companies on cases before DG Competition, the Competition Commission (CC), the Office of Fair Trading (OFT), the European Court of First Instance (CFI), the Competition Appeals Tribunal (CAT), and other national authorities, regulators and courts.

Drawing on an unparalleled range of industry specialists, we provide persuasive economic analysis based on robust evidence and framed in clear language, to help achieve the best outcome for the client.

We have used these skills to support a wide range of clients including:

Air Liquide
BBC
British Horseracing Board
Continental
Dong Energy
GE
HBOS
Lafarge
Littlewoods
MAN
Microsoft
National Australia Bank
Nozema
Proctor & Gamble
Pernod Ricard
Telefonica O2
Teracom
Vodafone

Market investigations and sector inquiries

Market investigations and sector inquiries are increasingly used by competition authorities in particular the European Commission.

A key issue is profitability analysis which has substantially influenced a number of inquiries in recent years. Our experts can help ensure that competition authorities properly understand accounts and draw the right conclusions regarding economic profits.

Another key issue is the need to present empirical evidence in language that both the authorities and senior management can understand. Our ability to combine subject matter expertise with deep industry experience allows us to meet this challenge and facilitate a coherent dialogue between the authorities and inquiry participants.

We have advised major participants on the following market inquiries in the UK, EU and other national jurisdictions:

- Payment Protection Insurance
- Credit Card Interchange Fees
- Current accounts
- Unauthorised overdraft charges
- Storecards
- SME banking
- Mobile termination
- Mobile Roaming
- Energy Markets
- Pay-TV
- Classified Directories
- Rolling Stock
- Pharmaceuticals
- New Cars
- Supermarkets

Cartels (& Article 81)

Cartels are being pursued with increased vigour across the world. We use economic analysis to assess whether there is any evidence of the existence of a cartel or to quantify the impact of any anti-competitive practices as part of a mitigation strategy for fines and/or for use as evidence in any subsequent litigation.

Increasingly companies are engaging detailed economic analysis of effect early on in the process to understand potential exposure to litigation and to use as mitigation evidence.

We have provided expert analysis and evidence to national, EC and US authorities and courts on a wide range of inquiries including:

- Carbonless Paper
- Cement
- Concrete
- Gas Insulated Switchgear
- Paraffin
- Plasterboard
- Peroxides
- UK construction sector
- UK independent schools
- Cigarettes
- Flat glass

We also provide economic analysis and testimony in the context of horizontal agreements. Example sectors include:

- Collective selling of horseracing data (advising BHB before the UK Competition Appeals Tribunal).
- Collective selling of Football rights (in the UK courts)
- Formula 1 agreements (EC inquiry)
- Pharmacies (joint negotiation agreements)
- Abattoirs and rendering (Ireland)
- Real estate commission arrangements (Canada)

Litigation and damages

In an increasingly litigious environment, quantifying the damage caused by anti-competitive behaviour is important and requires both economic and accounting evidence. Our Competition Litigation team combines the experience of our Competition Economics and Forensic Accounting practices to address all the issues associated with determining the quantum.

Attheraces v BHB

We provided expert testimony on behalf of the BHB in defending the stand alone action brought by Attheraces through the UK High Court alleging excessive and discriminatory pricing and refusal to supply.

Cartel damages case

We provided an expert report on quantum for a client facing a damages claim following a negative European Commission decision.

US and EC cartel damages claim

We provided expert reports on effect to support a client facing damages claims in the EC and in US courts.

National broadcaster

We provided an expert economics report for a national broadcaster to defend a claim for damages in the UK High Court alleging infringement of State aid rules.

Refusal to supply damages case

PwC produced an expert economic and accounting expert report to defend a client facing litigation from a downstream rival alleging that it had been denied a profitable entry opportunity.

ECJ Review

PwC provided expert economic analysis to support Lafarge's legal challenge to fines imposed by DG Competition in connection with an Article 81 decision.

Merger clearance and merger remedies

We have a strong track record of assisting clients securing merger clearance. With the new focus on unilateral effects and the efficiency defence our quantitative analysis plays an integral role in preparing for merger reviews. Examples include:

EC phase 2 inquiry

We provided expert economic evidence, in particular econometric analysis of bidding records, to help gain clearance without remedies of a merger in the automotive sector following an in-depth review by the European Commission.

US health sector merger

PwC advised a client facing a DoJ investigation into its proposed acquisition of a rival.

FCO merger review and appeal

We provided empirical studies with respect to geographic market definition and competitive assessment effects to rebut an appeal of an FCO decision to clear a merger in the German asphalt sector.

UK Phase 2 inquiry

We provided expert evidence on efficiencies and the viability of the target to secure a phase 2 clearance without remedies of a merger in the home shopping sector.

NMa phase 2 inquiry

We provided expert economic evidence to help a client gain clearance for a merger in the Dutch newspaper sector.

ACCC inquiry

We assisted a major tourism operator respond to ACCC review of a proposed takeover of a major island resort.

The design and implementation of appropriate remedies is a complex area. We have extensive experience advising on the design and implementation of behavioural and structural remedies. We have been appointed as Monitoring Trustees in the following cases:

- GE / Instrumentarium
- Continental / Phoenix
- Pernod Ricard / Allied Domecq
- Air Liquide / Messer Targets
- Proctor and Gamble (US and EC)
- Dong Energy

Abuse of dominance and compliance

Economic analysis is central to the assessment of abuse of dominance under UK and EU competition law. In particular, these assessments have increasingly focused on effects-based analysis. This has driven the requirement for sophisticated quantitative techniques to distinguish between pro-competitive and anti-competitive behaviour.

Identifying the line in the sand between pro-competitive and anti-competitive behaviour is a key issue for ensuring ongoing compliance for dominant companies and requires robust analysis.

Microsoft

As part of the consent decree between Microsoft, the Department of Justice and a number of State Attorney Generals, we assisted Microsoft in establishing a RAND licensing program. Our opinion included the appropriate valuation methodology and theory, and the implications of the program with respect to the remedies the consent decree was designed to address. This licensing program withstood judicial review and has gained market acceptance as measured by an increasing number of licensees. We also advised Microsoft on the implementation of the March 2004 European Commission decision under Article 82.

Telefonica O2

We advised O2 in the context of the EC's investigation of excessive prices in the UK wholesale international roaming market leading to the EC closing the file after a 5 year investigation.

BBC

We monitor and scrutinise compliance by the BBC with its Fair Trading Commitment.

EU Telco Incumbent

We advised a major EU incumbent telecoms operator on compliance with an adverse EC finding in relation to margin squeeze in the broadband market.

Premiera Blue Cross

We provided expert testimony on behalf of the Office of the Insurance Commissioner for the State of Washington on the impact on prices of Premiera Blue Cross' potential market power following its proposed conversion to for-profit status.

Investigation into discriminatory licensing of IP rights

We acted as an independent expert before the Spanish competition authority on behalf of our client, in the broadcasting sector.

State aid

Analysing State aid requires a broad set of economic, financial, and accounting skills. Drawing upon experience of DG Competition and working closely with in-house or external legal counsel we can provide a tailored combination of these skills to deal with a wide range of State aid compliance and assessment issues.

Teracom

We advised Teracom during the EC's State aid investigation, providing a financial and economic submission on the application of the market economy investor principle. The EC concluded that Teracom did not receive illegal subsidies.

EU broadcaster

We carried out a thorough MEIP review of a client's business plan. This was central to the subsequent action taken by senior management to improve the subsidiary's commercial viability and mitigate risk of State aid intervention.

Major European logistics provider

We provided extensive economic and financial analysis as part of our advice to a leading logistics provider in the context of its appeal against an adverse State aid ruling from the European Commission.

Working with us

Our Competition Practice is based in London and has teams in Amsterdam, Berlin, Brussels, Madrid, Paris, Sydney, Vancouver and Washington D.C.

Our team includes PhD economists, faculty members at the University of Amsterdam and the Tanaka Business School at Imperial College, London, a previous chief economist of the OFT as well as ex-OFT and European Commission officials.

Our key strength is our ability to access the right resources and experts for your case needs. Our case team can call upon our network which includes an array of industry experts.

Our project directors will work and liaise with you, and be your point of contact. We can either work alongside or report to external counsel; and we can also recommend external counsel to our clients on competition matters.

Working with us

United Kingdom



Tom Hoehn

Partner

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Tom heads our Economics Practice and has over 20 years' experience in competition and merger advice. Tom has advised over 80 clients on competition issues, and has presented expert evidence in over 20 antitrust proceedings. Tom led our work on the BBC, Microsoft, and GE and has acted as Monitoring Trustee in several major European merger cases. Tom is a Visiting Professor at the Tanaka Business School at Imperial College London where he teaches courses on merger control, antitrust, valuation and pricing of intellectual property.



Tim Ogier

Partner

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Tim has over 20 years' experience advising clients on competition issues and has acted as an expert witness in the context of litigation support. Tim is also one of the UK's leading experts on cost of capital, and has recently co-authored a book on this topic. Sector expertise include financial services, mobile telephony, media, automotive and nuclear.



Liam Colley

Director

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Liam directs PwC's Competition Economics Practice in London and has over 13 years' experience advising public and private sector clients on UK and EU competition issues. Liam has particularly deep knowledge of the telecoms sector and his clients include HBOS, Vodafone, O2, the British Horseracing Board (BHB) and Microsoft.



David Elliott

Senior Competition Economist

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David has over 30 years' experience of competition advice and before joining PwC was Chief Economist at the OFT. Whilst at PwC David has acted as an expert witness and advised many companies on the application of UK and EC competition law, including the British Horseracing Board.



David Lancefield

Partner

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David specialises in competition and public policy, with a focus on the media and entertainment industry. His specialisms include Intellectual Property (IP), State aid and regulatory impact assessments. He has advised in leading EU and UK compulsory licensing cases, on State aid issues in broadcasting, public services and R&D, and in a number of abuse of dominance cases.

United Kingdom continued



Daniel Hanson
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Daniel specialises in advising clients on competition and regulation issues. Daniel's clients have included companies in the electricity, water and financial services industries, and HM Government. Daniel has also published widely on competition and regulation matters.



Alison Sprague
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Alison has a DPhil in Economics from Oxford and has over 5 years' experience advising clients in commercial and competition matters. Alison specialises in the media and telecoms sectors. She has advised the European Commission on the likely impact of a pay-TV merger and has advised clients in the context of DG Competition and UK inquiries. Alison has also provided expert advice to the OFT on TV rights.



Matt Hunt
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Matt advises clients on competition and regulatory issues and has particular expertise in State aid. Matt has extensive knowledge of the telecommunications sector.



Ram Mahendran
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Ram's area of expertise is economic profitability analysis and financial economics. He specialises in advising clients on profitability issues in competition cases and has advised clients in UK and EC competition inquiries in particular in the financial services, rolling stock and directory inquiries sectors.



Matthew Gaved
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Matthew is a director specialising in merger remedies. He has advised the European Commission and a wide range of clients on all aspects of merger compliance and Merger Trustee appointments.

Working with us

Europe

Amsterdam

Jan Willem Velthuisen

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Jan Willem is a lead partner in our Netherlands practice who specialises in Industrial economics (deregulation, competition, auctions) and advanced market and demand analysis. He has advised a large number of clients on a wide range of competition issues.

Germany

Alfred Höhn

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Alfred is responsible for the Economics practice in PwC Germany and has lead several economic analyses in state aid, cartel and competition proceedings. He also heads a division that manages federal guarantee schemes in Germany and has extensive experience with dealing with governmental authorities.

Dr. Gisela Kramer

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Gisela leads PwC's Competition Economics Group in Germany. Her impressive credentials include a PhD in economics from the University of Potsdam and fluency in German, English and French.

Dr. Wolfgang Nothhelfer

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Wolfgang is senior consultant within PwC's Economics Practice in Berlin. He has several years of experience in advising in cartel and competition proceedings at a national and European level and has worked in the field of telecommunication regulation.

Rest of the World

US

Edward Gold

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Dr. Gold is an economist with experience in a wide variety of dispute and strategic business matters including antitrust, intellectual property, valuation, class certification and other complex commercial issues. Ed has been named as an expert in a variety of matters and have testimony experience in disputes such as antitrust and intellectual property matters. Ed was appointed as Interim Monitor to the FTC regarding merger remedies in the P&G / Gillette merger.

Australia

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Scott is a Partner leading the PwC Economic Group in Sydney. Scott has considerable experience in advising transport and infrastructure businesses on reform, pricing and regulation. He has extensive knowledge of regulatory issues related to infrastructure businesses.

Canada

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Ed Mansfield, PhD, is an Associate Partner in the Vancouver office of PricewaterhouseCoopers LLP where he leads the Statistics and Economics practice. Ed has nearly 20 years of experience in consulting on statistical and economic issues, and has often appeared as an expert in statistical and economic issues before courts and regulatory panels.

