



CRA Insights: China Highlights

CRA Charles River
Associates

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Charles River Associates publishes *CRA Insights: China Highlights*, a newsletter from the Competition Practice focusing on competition topics in China.

MOFCOM takes a more sophisticated and transparent approach to economic analysis in recent decisions

The Ministry of Commerce of the People's Republic of China (MOFCOM) continues to advance the role of economics in merger decisions. Their conditional approval of Thermo Fisher Scientific's \$13.5 billion acquisition of Life Technologies Corp. included the results of regression and indicative price rise calculations, a first in China. While less detailed, the conditional clearances of Microsoft's acquisition of Nokia and Merck's acquisition of AZ Electronics referenced the importance of vertical linkages and integration in assessing potential merger-related harm. MOFCOM decisions increasingly rely on the application of sometimes complex economic theories to the facts of the case and the agency is more receptive to economic discussions and the submission of economic evidence.

CRA is closely observing the evolution of MOFCOM's approach. [Elizabeth Wang](#) recently wrote about MOFCOM's conditional clearance of the merger between Thermo Fisher Scientific and Life Technologies Corp. Click [here](#) to read the summary. [David Stallibrass](#) published an expanded note on the case in the *e-Competitions Bulletin*. Subscribers can click [here](#) to read the article.

Recent publications

[Geographic Market Definition in China—Inching Towards Convergence](#)

David Stallibrass and Jing Wen published an article entitled "Geographic Market Definition in China—Inching Towards Convergence?" which appeared in the February 2014 issue of *CPI Antitrust Chronicle*. The authors review the geographic market definitions contained in Chinese merger and judicial decisions from 2013, placing them in a broader historical context. In particular, the authors analyze the impact of geographic market definition on four mergers that MOFCOM cleared in 2013 and make projections for the future. Click [here](#) to read the article.

Upcoming events

ABA Antitrust in Asia: China

Elizabeth Wang will moderate a panel entitled, “Abuse of Dominance and the Antitrust-Intellectual Property Interface,” during this ABA conference held on May 21–23 in Beijing. The panel of agency leaders, academics, and private sector experts will shed light on issues including: implications of the intellectual property guidelines for licensing practices in China; the role of the “essential facilities” doctrine under the Antimonopoly Law (AML); the analysis of dominance and collective dominance under the AML; and the application of the AML to various forms of non-price related conduct by dominant firms. For more information, click [here](#).

Recent trends of IT industry restructuring worldwide & regulatory reactions of Korea and China

On May 23–24, at Renmin University in Beijing, David Stallibrass will be speaking on FRAND and the interaction between competition and IP rights in Europe. The conference will explore the regulatory stance of China, Korea, the US, and EU and the future policy implications.

2014 AML Litigation Forum

On May 24–25, Elizabeth Wang is speaking on two panels at the China Antimonopoly Law Litigation Forum. Her session addresses competition analysis of most favored nation (MFN) clauses and cases as well as hot topics in high tech industries regarding antitrust litigation. She will speak alongside judges, regulators, and antitrust experts at this conference in Beijing.

Recent events

Competition law: policy and practice in China and western countries

On May 7, 2014, David Stallibrass spoke on the Qihoo 360 and Tencent QQ case and discussed the differences between the use of economics in Chinese and Western systems at a competition workshop held at the Hong Kong University School of Business.

Roundtable discussion: Managing antitrust risks and reducing surprises for multinationals operating and expanding in China

On April 2, 2014, Elizabeth Wang participated in a roundtable discussion at Nixon Peabody LLP in Boston on how to manage antitrust risks when conducting business in China. Dr. Wang was joined by Professor Huang Yong, a leading Chinese antitrust expert, and lawyers from Nixon Peabody.

Vertical issues in high tech industry

On March 4, 2014, Elizabeth Wang moderated an ABA teleconference discussing vertical issues faced by companies in the high tech industry during merger review or government investigation in China.

CRA and our China expertise

CRA combines deep knowledge of local laws and regulations with extensive experience in merger reviews in all major jurisdictions, including Asia, Europe, and North America. Many CRA economists have held leading positions in European, American, or Canadian government regulatory agencies. We offer firms with multinational interests a specialized point of contact in each region to coordinate the work of tightly integrated transnational teams. Read more about our China expertise [here](#).

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