EUROPEAN COMMISSION

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C(2025) 253 final

PUBLIC VERSION

In the published version of this decision, some information has been omitted pursuant to Article 17(2) of Council Regulation (EC) No 139/2004 concerning non-disclosure of business secrets and other confidential information. The omissions are shown thus […]. Where possible the information omitted has been replaced by ranges of figures or a general description.

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Subject: **Case M.11625 – EPCG / IDS**
Commission decision pursuant to Article 6(1)(b) of Council Regulation No 139/2004[1] and Article 57 of the Agreement on the European Economic Area[2]

Dear Sir or Madam,

(1) On 26 November 2024, the European Commission received notification of a proposed concentration pursuant to Article 4 of the Merger Regulation by which EP Corporate Group, a.s. ('EPCG') intends to acquire sole control within the meaning of Article 3(1)(b) of the Merger Regulation over International Distribution Services Plc ('IDS' or the 'Target', together with EPCG, the 'Parties') (the 'Transaction').[3]

1. THE PARTIES

(2) EPCG is a Czech investment holding company part of the DK Group, a group of companies ultimately controlled by Mr. Daniel Křetínský, a Czech national. The DK Group has an extensive portfolio of significant assets across Europe, notably in

[1] OJ L 24, 29.1.2004, p. 1 (the 'Merger Regulation'). With effect from 1 December 2009, the Treaty on the Functioning of the European Union ('TFEU') has introduced certain changes, such as the replacement of 'Community' by 'Union' and 'common market' by 'internal market'. The terminology of the TFEU will be used throughout this decision.
[2] OJ L 1, 3.1.1994, p. 3 (the 'EEA Agreement').
[3] OJ C, C/2024/7276, 4.12.2024.

the energy, infrastructure, food, consumer retail, logistics, media, and e-commerce sectors. Of relevance to the Transaction, the DK Group owns, through VESA Equity Investment S.à.r.l. ('VESA'), a 27.73% stake in PostNL N.V. ('PostNL'), the Dutch universal mail service obligation provider, also active in the provision of small package delivery services. The DK Group also currently owns a 27.6% non-controlling minority stake in the Target, also through VESA.

(3) IDS is a leading provider of postal and delivery services in the UK, with significant operations in continental Europe. IDS is a holding company which includes two separate operations: (i) the Royal Mail Group Limited ('RMG'), which collects, sorts, and delivers letters and parcels, primarily in the UK, and (ii) General Logistics Systems B.V. ('GLS'), which provides small package delivery services internationally. IDS is a public limited company that is headquartered in the UK and listed on the London Stock Exchange.

2. THE OPERATION

(4) The Transaction is accomplished by way of a public takeover bid announced on 29 May 2024 for the entire issued, and to be issued, ordinary share capital of IDS, other than the IDS shares currently owned by the DK Group through VESA. Separately, under an agreement of 29 May 2024, VESA will sell its holding in IDS to EPCG.[4] As a result of the Transaction, EPCG will ultimately acquire not less than 75% and up to 100% of the shares in IDS and therefore acquire sole control over IDS within the meaning of Article 3(1)(b) of the Merger Regulation.

3. UNION DIMENSION

(5) The undertakings concerned have a combined aggregate world-wide turnover of more than EUR 5 000 million (DK Group: EUR [Turnover]; IDS: EUR [Turnover])[5]. Each of them has a Union-wide turnover in excess of EUR 250 million (DK Group: EUR [Turnover]; IDS: EUR [Turnover]), but they do not achieve more than two-thirds of their aggregate Union-wide turnover within one and the same Member State. The Transaction therefore has a Union dimension pursuant to Article 1(2) of the Merger Regulation.

4. POSSIBLE AFFECTED MARKETS

(6) The Transaction gives rise to horizontal overlaps between the activities of IDS and those of various DK Group portfolio companies on the markets for the provision of (a) small package delivery services in various EEA Member States, (b) road freight forwarding services in various EEA Member States and (c) contract logistics services in the EEA.[6] The Transaction also gives rise to a vertical link between the provision of small package delivery services by IDS in France and the supply of Automated Parcel Machines by Quadient, in which the DK Group owns a non-controlling minority stake of 16.19%.[7]

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4 Form CO, paragraph 54.
5 Turnover calculated in accordance with Article 5 of the Merger Regulation.
6 Form CO, Table 10.
7 Form CO, paragraphs 423 et seq.

(7) However, neither the horizontal overlaps nor the vertical link give rise to affected markets within the meaning of recital 25(g) Annex I to Regulation (EU) 2023/914,[8] as they meet the conditions for review under point 5 of the Notice on Simplified Treatment.[9] In the event that PostNL is part of the DK Group – where the DK Group holds a 27.73% stake in PostNL – the activities of GLS and those of PostNL on the market for the provision of small package delivery services (and some of its potential sub-markets) in the Netherlands.[10]

(8) In line with the above, before defining the relevant markets, it must be determined whether PostNL is controlled by the DK Group for the purposes of EU merger control.

5. DK GROUP'S DE FACTO CONTROL OVER POSTNL

5.1. Introduction

(9) As mentioned above at paragraph (2), the DK Group currently holds, through VESA, a 27.73% stake in PostNL. According to the Consolidated Jurisdictional Notice, a minority shareholder may be deemed to have sole control on a *de facto* basis, in particular where the shareholder is highly likely to achieve a majority at the shareholders' meetings, given the level of its shareholding and the evidence resulting from the presence of shareholders in the shareholders' meetings in previous years. Based on past voting patterns, the Commission will carry out a prospective analysis and take into account foreseeable changes of the shareholders' presence which might arise in the future following the operation. The Commission will further analyse the position of other shareholders and assess their role. Criteria for such an assessment are, in particular, whether the remaining shares are widely dispersed, whether other important shareholders have structural, economic or family links with the large minority shareholder or whether other shareholders have a strategic or a purely financial interest in the target company. These criteria will be assessed on a case-by-case basis. Where, on the basis of its shareholding, the historic voting pattern at the Shareholders' Meeting and the position of other shareholders, a minority shareholder is likely to have a stable majority of the votes at the shareholders' meeting, then that large minority shareholder is taken to have sole control[11]

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8 Commission Implementing Regulation (EU) 2023/914 of 20 April 2023 implementing Council Regulation (EC) No 139/2004 on the control of concentrations between undertakings and repealing Commission Regulation (EC) No 802/2004, OJ L 119, 5.5.2023, p. 22.

9 Commission Notice on a simplified treatment for certain concentrations under Council Regulation (EC) No 139/2004 on the control of concentrations between undertakings 2023/C 160/01, OJ C 160, 5.5.2023, p. 1.

10 The Transaction also gives rise to affected markets on certain sub-segments of the market for the provision of small package delivery services in Belgium, but only in volume and only historically, for the year 2021. However, the combined volume shares of PostNL and GLS on the relevant markets in 2021 in any event remained moderate ([20-30]% in the overall market for small package delivery services in Belgium, [20-30]% in the domestic segment, [20-30]% in the domestic standard segment, and [30-40]%), with GLS' increment always below [5-10]%. In addition, no concerns were raised in connection with Belgium by market participants contacted in the context of the pre-notification market investigation, and the Parties provided sufficient explanations regarding the decrease of the shares since 2021 in response to QP 7 of the Commission. Therefore, the Commission did not investigate the Belgium market further and does not address it in this Decision.

11 Commission Consolidated Jurisdictional Notice under Council Regulation (EC) No 139/2004 on the control of concentrations between undertakings, OJ C 95, 16 April 2008, p. 1 ('CJN'), point 59.

(10) In 2021, when it was increasing its shareholding in PostNL, VESA initiated a consultation with the Directorate-General for Competition of the European Commission on the question whether a stake of 25% in PostNL would grant it de facto control over PostNL.[12]

(11) By letter of 20 December 2021, addressed to the legal counsels of VESA, the Directorate-General for Competition advised that based on the information provided by them, *'* [confidential communication]*'*

(12) In 2022, VESA formally notified the increase of its stake in PostNL to 29.73%[13] as the acquisition of *de facto* control. The Commission found that that transaction constituted a concentration under EU merger control due to the acquisition of *de facto* sole control by DK Group, through VESA, over PostNL and approved the concentration under the simplified procedure.[14]

(13) In the current case, EPCG argues that, despite the Commission's finding in 2022 that the DK Group, through VESA, controlled PostNL, EPCG, in fact, does not control PostNL and that [VESA's business intelligence in previous merger case].[15]

(14) For the reasons set out below the Commission finds that the DK Group, through VESA, *de facto* solely controls PostNL.

5.2. Assessment

(15) PostNL falls under the Large Company Regime in Dutch law.[16] In general, the Large Company Regime imposes an obligation on a company to install a Supervisory Board and provides for a shift of certain powers from the company's Shareholders' Meeting to the Supervisory Board.[17]

(16) The question whether VESA de facto controls PostNL raises two sub-questions. First, whether in view of the attendance patterns in PostNL's Shareholders' Meetings, VESA is highly likely to achieve a majority at the Shareholders' Meeting with a stake of 27.73%.[18] As discussed in section 5.2.1 below, EPCG considers that this is the case and the Commission agrees. However, given the somehow limited powers of the Shareholders' Meeting under the Large Company Regime, a subsequent question is whether VESA can in fact exercise decisive influence on PostNL with the stable majority that it enjoys at the Shareholder's Meeting. As explained further in section 5.2.2 below the Commission considers that through its majority in the Shareholders' Meeting, VESA can exercise decisive influence on PostNL.

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12 Case C.1876 – Project Mercury.

13 Case M.10667 – VESA / PostNL. Initially, VESA notified an increase of its stake to 29.56% that increased further to 29.73% during the administrative procedure. See also Form CO in the current case, paragraph 81.

14 Case M.10667 - VESA / PostNL.

15 Form CO, paragraph 83.

16 Article 3 of PostNL's Articles of Association, Form CO, Annex 8 ('AoA').

17 Form CO, paragraph 88, Annex 9, pages 2-3 and Annex 10, paragraph 3, second indent.

18 The stake of VESA in PostNL decreased from 29.73% in 2022 (see paragraph (12) above) to 27.73% at the time of notification in this case (see paragraph (2) above).

5.2.1. VESA is highly likely to achieve a majority in the Shareholders' Meeting of PostNL

(17) EPCG submits that with a stake of 27.73%, VESA is highly likely to achieve a majority in the Shareholders' Meeting of PostNL.[19]

(18) In order to assess whether a minority shareholder is highly likely to achieve majority in the Shareholders' Meeting, the Commission examined, in line with its past practice, the attendance levels in previous meetings.[20] The table below presents attendance rate in past Shareholders' Meeting of PostNL.

Table 1: Attendance rate in past Shareholders' Meeting of PostNL[21]

Year	Attendance rate (as share of issued share capital)	Number of shareholders present
2016	54.66%	239
2017	51.1%	311
2018	33.91%	285
2019	40.64%	264
2020	26.41%	122
2021	44.77%	602
2022	49.97%	1 128
2023	39.77%	971
2024	37.65%	366

(19) As can be seen in Table 1, in the past three Shareholders' Meeting, the average attendance was 42.46% with a declining trend over the past three years. With its 27.73% stake in PostNL, VESA would have achieved a majority in each of the meetings. Even in a nine years' perspective, VESA would have had a majority in each meeting. There is no indication or evidence that attendance would increase in the future or that VESA would lose its majority.

19 Form CO, paragraph 131.

20 See for example: Case M.6962 - Renova Industries / Schmolz & Bickenbach, paragraph 6; Case M.6682 – Kinnevik / Billerud / Korsnäs paragraph 7; Case M.6718 - Toyota Tsusho Corporation / CFAO, paragraph 7; Case M.5508 – Soffin / Hypo Real Estate, paragraph 4; Case M.5121 - News Corp / Premiere, paragraph 8; Case M.4956 – STX / Aker Yards, paragraph 6; Case M.4155 - BNP Paribas / BNL, paragraph 5; Case M.3330 RTL / M6, paragraph 10; Case 1519 - Renault / Nissan, paragraphs 10 and 15; Case M.1331 – ING / BHF, paragraph 5; Case M.906, Mannesmann / Vallourec, paragraph 11; Case M.754 Anglo American Corporation / Lonrho, paragraphs 31-38; Case M.343 Société Générale de Belgique / Générale de Banque, paragraph 7. The Commission typically considers attendance rates in the last three years prior to a concentration.

21 Response of EPCG to RFI-1, question 1 and submission of VESA of 14 October 2021, page 13, in case C.1876 – Project Mercury.

(20) The Commission therefore concludes that VESA is highly likely to achieve a stable majority in the Shareholders' Meetings of PostNL.

5.2.2. VESA exercises decisive influence over PostNL

5.2.2.1. The governance of PostNL

(21) The daily business of PostNL is managed by its Board of Management.[22] The Board of Management also takes decisions with respect to the budget and business plan.[23]

(22) The members of the Board of Management are appointed and can be dismissed by the Supervisory Board.[24] There are two members in the Board of Management appointed for periods of up to four years and can be re-appointed. Their appointment is staggered, that is the members are not appointed together but in different years.[25] The duty of the Supervisory Board is to supervise the policy of the Board of Management, the general course of affairs of the company and to assist the Board of Management with advice.[26] The Articles of Association of PostNL ('AoA') stipulate that certain resolutions of the Board of Management must be approved by the Supervisory Board. These decisions relate in essence to the protection of the minority shareholders and employees of PostNL rather than commercial strategy.[27] However, the Supervisory Board may require that other resolutions of the Board of Management be approved by it.[28] The Supervisory Board could therefore subject to its approval the Board of Management's decisions relating to the budget and business plan.

(23) The Members of the Supervisory Board are nominated (that is, proposed) by the Supervisory Board itself and appointed by the Shareholders' Meeting.[29] The Supervisory Board must include at least three members, but the exact number of members is determined by the Supervisory Board itself.[30] Currently, there are eight members in the Supervisory Board that are appointed for four years. Members of the Supervisory Board can be re-appointed.[31] Every year, two members are up for re-appointment or replacement.[32]

(24) In order for the Shareholders' Meeting to veto the appointment to the Supervisory Board a majority vote representing at least 33.33% of the entire share capital (even if not attending in the meeting) is needed. If however the Shareholders' Meeting rejects a nomination with a simple majority representing less of 33.33% of the entire share capital, a new meeting will be convened for a second and decisive vote

22 Article 19(1) AoA.
23 Form CO, paragraph 89, sixth indent.
24 Article 17(1) and (2) AoA.
25 Replies of the Parties to a request for information ('RFI 3') from the Commission, submitted on 7 January 2024, question 2.
26 Article 27(1) AoA.
27 Article 21(2) AoA. Such decisions concern, for example, large investments, the adoption of proposals to amendithe AoA, to dissolve the company or declare it bankrupt, the dismissal of a large number of employees or the adoption of significant changes to employees' working conditions.
28 Article 21(3) AoA.
29 Article 24(1) AoA.
30 Article 23(1) and (2) AoA.
31 Article 25(1) AoA.
32 Form CO, paragraph 91-92.

that would require a simple majority of the votes present.[33] The Shareholders' Meeting cannot dismiss individual members of the Supervisory Board, but it can, with a majority representing at least 33.33% of the entire share capital withdraw the confidence in the entire Supervisory Board and dissolve it.[34]

(25) The AoA provide that PostNL shall adopt a policy on the remuneration of the members of the Supervisory Board. The policy is proposed by the Supervisory Board every four years and adopted by the Shareholders' Meeting by simple majority.[35] The remuneration of each of the members of the Supervisory Board is set by the Shareholders' Meeting also by simple majority, with due observance of the remuneration policy.[36] Similarly, the Supervisory Board proposes every four years a remuneration policy for the members of the Board of Management that is approved by the Shareholders' Meeting by simple majority.[37] The remuneration of each of the members of the Board of Management is set by the Supervisory Board, in observance of this policy.[38]

5.2.2.2. Analysis

(26) Paragraph 57 CJN provides that control may also be exercised by a minority shareholder who is entitled to '*manage the activities of the company and determine his business policy on the basis of the organisational structure*'. According to paragraph 69 CJN, veto rights concerning decisions on the appointment and dismissal of senior management, such as members of the board, are very important for the determination of control and usually confer upon the holder the power to exercise decisive influence on the commercial policy of an undertaking.

(27) The Supervisory Board of PostNL, has important management functions. In particular, PostNL's Supervisory Board not only appoints (and dismisses) the members of PostNL's Board of Management (which is directly responsible for budgetary and business plan decisions), but also decides at its discretion which Board of Management decisions are subject to its approval (including the budget and business plan).

(28) With a majority of votes representing 27.73% of the issued capital, VESA can determine the appointment (or reappointments) of the members of the Supervisory Board by agreeing to or vetoing the Supervisory Board's proposals in this respect, granting VESA the ability to gradually replace all members of the Supervisory Board. With its majority, VESA can also determine the Shareholders' Meeting position on the proposals of the Supervisory Board for remuneration policies of the members of the Supervisory Board and Board of Management, and can set the remuneration of each member of the Supervisory Board.

(29) While VESA will not have the power to dismiss the members of the Supervisory Board, its ability to appoint the members of the Supervisory Board and impact their

33 Article 24(6) AoA.
34 Article 25 AoA.
35 Article 26(1) AoA.
36 Article 26(2) AoA.
37 Article 18(1) AoA.
38 Article 18(2) AoA.

remuneration[39] may have a disciplining effect on the members of PostNL's Supervisory Board, and have the effect of conferring VESA the power to exert sufficient leverage and disciplining effect on the Supervisory Board and, in turn, on the Board of Management so as to determine the strategic commercial decisions such as those concerning budget and business plan – which may be subject to the Supervisory Board's approval.

(30) The Commission notes that, in its decisional practice, the Dutch national competition authority (the Authority for Consumers and Markets, 'ACM'), has consistently found that a shareholder of a company falling within the scope of the Large Company Regime may, despite its limited rights, acquire control under the Dutch merger control rules, referring specifically to the possibility of rejecting nominations to the Supervisory Board.[40, 41]

(31) In view of the powers that VESA has over the composition and the remuneration of the Supervisory Board and the Board of Management and their decisions, the Commission preliminarily concludes that VESA enjoys the power to determine the commercial strategic aspects of PostNL's conduct.

5.2.2.3. The arguments of EPCG

(32) EPCG advances numerous arguments that, in its view, show that VESA cannot exercise decisive influence on PostNL. These arguments are reviewed and addressed below.

5.2.2.3.1. VESA's power to veto the appointment of members of PostNL senior management bodies

(33) EPCG notes that PostNL's Shareholders' Meeting cannot nominate the members of the Supervisory Board and cannot nominate nor appoint the members of the Board of Management.[42] However, as explained at paragraphs (22) and (25) above, with a majority in the Shareholders' Meeting, VESA can still veto appointments to the Supervisory Board; veto the remuneration policies of the Supervisory Board and the Board of Management; and set the remuneration of the members of the Supervisory Board, which grant VESA the power to determine the strategic aspects of PostNL's conduct.

(34) EPCG holds that in order to (a) veto the appointment to the Supervisory Board without a second vote and (b) withdraw the confidence in the Supervisory Board and dissolve it, a majority vote representing at least 33.33% of the entire share capital is needed. EPCG notes that, since it holds a stake of 27.73%, VESA is unable to pass such resolutions in the Shareholders' Meeting.[43] However, as

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39 As indicated at paragraph (25) above an additional leverage that VESA enjoys over the Supervisory Board stems from the power of the Shareholders' Meeting to veto the remuneration policy of the Supervisory Board and to ultimately set the remuneration of the members of the Supervisory Board.

40 Decision of 26 October 2006, 5586/Ahold – Konmar Superstores, paragraph 11; Decision of 8 July 2003 in case 3525/Griffon - Boerenbond and in case 3526/Griffon - Agri Retail, paragraph 10 and footnote 7; Decision of 3 January 2001, 2198/Schuitema / Sperwer, paragraph 24 and footnote 11; decision of 24 July 2000 in case 1710/Schuitema — A&P, paragraph 23.

41 In reaching its conclusion the ACM referred also to other powers and rights of a majority shareholder: approving the annual accounts, provide non-binding recommendations for nominations to Supervisory Board and being informed of changes in the Board of Management.

42 Form CO, paragraph 89, fourth indent; paragraph 90, first indent.

43 Form CO, paragraphs 112-115.

explained in section 5.2.2.2 above (paragraph (22)), VESA's 27.73% stake means that it is highly likely that VESA enjoys a stable majority in the Shareholders' Meeting, and that VESA will be able to veto the appointment of members to the Supervisory Board, even if this requires a second vote.

(35) In this regard, EPCG also argues that VESA is unlikely to win two consecutive votes rejecting nomination to the Supervisory Board because a second vote is likely to attract a higher attendance that would make it difficult for VESA to achieve a majority.[44] The Commission notes that this argument is speculative and unsupported by any evidence. The Commission concluded in Section. 4.2.2.1 above, that VESA is highly likely to achieve a stable majority in the Shareholders Meetings in the future, and there is no evidence – nor did EPCG supply any – that this would not be the case also for meetings involving a second vote on appointments to the Supervisory Board.

(36) EPCG refers to a 'cooling off period' mechanism under Dutch law which, according to EPCG, limits VESA's power to influence the composition of the Supervisory Board. EPCG explains that: *'if one or more shareholders request the appointment or removal of any member of the Supervisory Board, to the extent such shareholder activism is fundamentally contrary to the interest of the company and its business, PostNL can trigger a so-called "cooling off" period in which the General Meeting cannot appoint or remove any Supervisory Board member in the period of the next 250 days. The resolution of the Board of Management to invoke the 250-day cooling-off period is subject to the approval of the Supervisory Board, i.e., VESA has again no power to block such a decision.'*[45] However, The Commission notes that the mechanism identified at paragraphs (22) and (25) above through which VESA acquired the ability to discipline the Supervisory Board (i.e. its ability to appoint the members of the Supervisory Board and impact their remuneration) and determine commercial strategic decisions of PostNL does not require VESA to actually request the appointment or removal of any member of the Supervisory Board. Further, EPCG itself explains that *'in other situations, such as the theoretical rejection by the General Meeting (at the second meeting) of (a) nomination(s) of a Supervisory Board member by the Supervisory Board, <u>it is not possible to invoke the cooling-off period</u>'* [emphasis added].[46] Therefore, in view of the available evidence, the 'cooling off period' does not impact the Commission's finding that VESA is able to veto appointments to the Supervisory Board.

(37) EPCG further argues that, even if VESA vetoed the appointment of members of the Supervisory Board, the Supervisory Board could continue to function regularly as long as there are at least three members.[47] EPCG explains further that, even if the number of members dropped below three, there would be 'no deadlock' because the Board can legally continue working during the short period required to fill its ranks.[48] The Commission notes however that the Commission's findings are not based on the ability of VESA to disrupt the work of the Supervisory Board, but rather on the influence that VESA is likely to have on each of the individual members of the Board. Even if the Supervisory Board could continue functioning as a body with fewer members, it is VESA's ability to veto their re-appointment

44 Form CO, paragraph 116, second indent.
45 Form CO, paragraph 121, second indent, third paragraph.
46 Form CO, page 44.
47 Form CO, paragraph 89, fifth indent, and 91-94.
48 Form CO, paragraph 116, second indent, second paragraph.

and set their remuneration that may have a disciplining effect on the members of PostNL's Supervisory Board, and confer on VESA the ability to determine PostNL's strategic commercial decisions.

(38) EPCG also argues that VESA has limited influence on appointments to the Supervisory Board, since VESA has no right to appoint a representative to the Supervisory Board. While VESA has one representative in the Supervisory Board, his nomination was at the good will of the Supervisory Board[49]. In addition, with only one representative out of eight members, VESA has limited influence within the Supervisory Board.[50] The Commission notes however that:

- according to EPCG's own explanations, VESA's representative was nominated by the Supervisory Board following discussions between the Supervisory Board and VESA.[51] He was appointed by the 2023 Shareholding Meeting in which VESA had a majority. This occurred despite the Supervisory Body not being under any legal obligation to nominate a 'non-independent' member (i.e. a member affiliated to one of the shareholders). Further, VESA's representative is the only 'non-independent' member in the Supervisory Board. However, the Commission considers that these elements are indicative of VESA's ability to influence who will be nominated and appointed to the Supervisory Board, as well as to influence the behaviour of the sitting Supervisory Board's members, and therefore provide further support to its preliminary view that VESA enjoys significant leverage over the Supervisory Board,

- as explained in paragraphs (22) and (25) above the fact, the Commission found that VESA's influence over the Supervisory Board arises out of its ability to control the appointment and re-appointment of Supervisory Board members and their remuneration. Given this, the fact that VESA has a single "official" representative in the Supervisory Board is not susceptible to put in question the Commission's conclusions.

(39) EPCG also argues that the power to appoint the senior management of PostNL lies with the Supervisory Board, which appoints the Board of Management. The Commission notes that, first, considering its function and powers (see paragraph (22) above) the Supervisory Board is also part of the senior management of PostNL and that VESA, with its majority in the Shareholders' Meeting, can veto or agree to appointments to the Supervisory Board. Second, the ways by which VESA, through its majority in the Shareholders' Meeting, has the power to determine the commercial strategic aspects of PostNL's conduct via its ability to determine the behaviour of not only the Supervisory Board but also, indirectly, the Board of Management as regards strategic decisions were already explained in paragraph (29) above.

5.2.2.3.2. VESA's power regarding the remuneration of members of PostNL senior management bodies

(40) EPCG argues that the only power of the Shareholders' Meeting with respect to the remuneration of members of the two Boards is to veto the policy proposal made by

49 Form CO, paragraphs 7, 95, 136 and page 32.
50 Form CO, page 32, and paragraphs 95-100.
51 Form CO, paragraph 99 and page 45.

the Supervisory Board.[52] The Commission points out that this is incorrect: PostNL's Shareholders' Meeting has the power, under Article 26(2) AoA, to set the remuneration of each of the members of the Supervisory Board with due observance of the remuneration policy that was adopted by the Shareholders' Meeting (see paragraph (25) above).

(41) However, EPCG explains that *'it is standard practice for companies under the [Large Company Regime] that a resolution of the determination of remuneration policy of the supervisory board also implies the determination of remuneration of each member of the Supervisory Board, and that no separate resolution is adopted for this purpose. PostNL has apparently taken this approach.'*[53] The Commission notes that this is not relevant for the purposes of assessing whether VESA has the power to influence the strategic business behaviour of PostNL, and have decisive influence and thus control over PostNL. In this regard, it results from points 16 and 54 of the CJN that it is not necessary that VESA's power to set the remuneration of each of the members of the Supervisory Board is actually exercised: it suffices that VESA has this power, and is as a result able to determine the strategic commercial decisions of PostNL.

(42) According to EPCG, a veto of the remuneration policy proposal made by the Supervisory Board would only mean that the remuneration policy in place would remain in force, ensuring continuity of remuneration.[54] However, the Commission notes that the power to veto a new remuneration policy may be sufficient to exert leverage over the senior management bodies (i.e. the Supervisory Board and the Board of Management) of PostNL. Although an old remuneration policy may remain in place until a new policy is approved, vetoing a new policy proposed by the Supervisory Board itself is detrimental to its members and the members of the Board of Management who requested it. Such a veto power is therefore likely to exert a disciplining effect on the senior management bodies of PostNL.

(43) EPCG also argues that a veto is unlikely to be imposed since it may reduce the attractiveness of service on PostNL senior management bodies, denying PostNL of talented managers.[55] The Commission notes that such an argument is immaterial, speculative and unsupported. First, as explained in point 67 of the CJN, it is not necessary to establish that VESA would actually make use of its veto right: its mere existence is sufficient for purposes of assessing whether VESA has control over PostNL. It follows that it is irrelevant whether VESA has an incentive to exercise this veto right. Second, the Commission notes that EPCG provided no evidence to support that the vetoing of a proposed remuneration policy might deny PostNL of talented managers; or that VESA would be unlikely to exercise this veto, for that reason or any other. Third, it cannot be excluded that the strategic interests of VESA may outweigh, even if temporarily, its interest in PostNL attracting talented managers.

5.2.2.3.3. Nature of the decisions that VESA may be able to determine

(44) EPCG recalls that decisions over the budget, business plan and investments are taken by the Board of Management without the involvement of the Shareholders'

52 Form CO, paragraph 105.
53 Submission of EPCG of 18 December 2024, paragraph 20.
54 Form CO, paragraph 105.
55 Form CO, paragraphs 102-106.

Meeting or VESA.[56] The Commission notes, however, that the actions of the Board of Management are supervised by the Supervisory Board. Further, the Supervisory Board decides which Board of Management decisions are subject to its approval and would therefore be in a position to subject decisions relating to the budget, business plans and investments to its approval. The Commission also recalls that, as explained in paragraph (30) above, VESA holds discipling power and significant leverage over the Supervisory Board and the Board of Management that allow it to exercise decisive influence over PostNL.

(45) To demonstrate further the limited powers of the Shareholders' Meeting, EPCG also mentions that amendments to the AoA are made on a proposal of the Board of Management and subject to the approval of the Supervisory Board, which VESA is not able to control.[57] First, the Commission notes that changes to the AoA are ultimately adopted by the Shareholders' Meeting,[58] in which VESA is highly likely to enjoy a majority, leaving the ultimate decision in effect at the hands of VESA. Second, VESA's claim about the involvement of the Board of Management and Supervisory Board in the procedure to amend the AoA is not susceptible of putting in question VESA's influence over PostNL's senior management bodies.

(46) EPCG further refers to the power of the Shareholders' Meeting not to adopt the annual accounts of PostNL. EPCG argues that, first, this power does not pertain to the strategic matters considered relevant by the CJN to the question of control. Second, this power is not likely to be exercised because the only repercussion would be that PostNL could not distribute profits to the shareholders.[59] The Commission notes, however, that irrespective of the question whether this power could be indicative of control, as noted above, VESA's ability to determine the strategic commercial aspects of PostNL's conduct arises from its ability to discipline the members of the Supervisory Board and imposing its will on it, and not from VESA's power to refuse to adopt the annual accounts of PostNL.

(47) EPCG finally argues that it is the Board of Management which takes decisions relating to the budget and business plan, and that VESA has no influence on the members of the Board of Management - since the Board of Management is appointed by the Supervisory Board and VESA has no representative in the Board of Management.[60] The Commission notes that, although the Board of Management is empowered to take decisions relating to the budget and the business plan, in practice it cannot act independently of the views of the Supervisory Board considering the powers the Supervisory Board has with respect to the Board of Management, which include the power to require decisions relating to the budget and business plan to be approved by the Supervisory Board. As explained in paragraphs (22) and (25) above, through its majority in the Shareholders' Meeting, VESA enjoys significant leverage over both the Supervisory Board and the Board of Management and is in a position to determine the commercial strategic aspects of PostNL's conduct.

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56 Form CO, paragraph 89, sixth and seventh indents; paragraph 90, second indent.
57 Form CO, paragraph 89, ninth indent.
58 Article 44 AoA.
59 Form CO, paragraph 90, third indent and paragraph 125, ii.
60 Form CO, page 32.

5.2.2.3.4. Other arguments

(48) EPCG points out that PostNL has a protective preference share structure based on which high voting rights can be issued at low cost to Stichting Continuiteit PostNL (the 'Continuity Foundation'). The Continuity Foundation has been established in order to protect PostNL, its business and all its stakeholders from influences that could threaten the continuity, autonomy or identity of PostNL. PostNL and the Continuity Foundation entered into a call option agreement under which, in the event of a threat to the continuity, autonomy or identity of PostNL, the Continuity Foundation can purchase preference shares B not exceeding the total number of outstanding shares minus one. Preference Shares B are a class of protective shares that may be issued to the Continuity Foundation under its call option to safeguard the continuity and independence of PostNL. The Preference Shares B have a nominal value of €0.08 and carry the same voting rights as PostNL's ordinary shares.[61]The Foundation Continuity can thus dispose of the same number of voting rights attached to the ordinary shares issued at that time minus one share. According to EPCG, in such a case, VESA's current 27.73% minority shareholding in PostNL would immediately decrease to approximately 15%. EPCG argues that, if VESA hypothetically tried to start rejecting the nominations of the Supervisory Board, it is likely that the Continuity Foundation would trigger the call option and decrease VESA's shareholding to a level that would not allow VESA to achieve a majority of the shares in attendance at the General Meeting, while the Continuity Foundation would have 50% (minus one share) of the total issued share capital after exercising their call option.[62] The Commission observes that EPCG's claim that the Continuity Foundation would exercise its options if VESA rejected nominations to the Supervisory Board is speculative and not supported by evidence. The Continuity Foundation has never exercised its option before and, according to EPCG, the Continuity Foundation is *'the last resort defence mechanism'*.[63] There is nothing to suggest that in case VESA vetoed nominations to the Supervisory Board, this could be considered as a threat the continuity, autonomy or identity of PostNL or that the Continuity Foundation would be legally bound or otherwise compelled to exercise its option.[64] As such, EPCG's claim that the Continuity Foundation would exercise its options should VESA veto appointments to the Supervisory Board must be dismissed.

(49) EPCG also argues that the decisional practice of the ACM (see paragraph (30) above) does not apply to the holding of VESA in PostNL. The precedents of the ACM referred to majority shareholders (that is, holdings above 50%), while VESA is a minority shareholder in PostNL. Specifically, with less than 33.33% holding, VESA cannot withdraw confidence and dismiss the Supervisory Board (see paragraph (24) above).[65] The Commission notes however that, as pointed out by EPCG itself,[66] in finding that a majority shareholder can control a company subject

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61 Replies of the Parties to a request for information ('RFI 3') from the Commission, submitted on 7 January 2024, question 1.

62 Form CO, page 46.

63 Form CO, page 46.

64 By analogy, the Commission recalls that in the context of determining whether a purchase option could lead to control, point 60 of the CJN establishes that '*an option to purchase or convert shares cannot in itself confer sole control unless the option will be exercised in the near future according to legally binding agreement*.' EPCG does not argue that the Continuity Foundation will exercise its option in the near future and according to a legally binding agreement.

65 Form CO, paragraph 125 and 125.i.

66 Form CO, paragraph 125.

to the Large Company Regime, as is the case with PostNL, the ACM did not refer to the power to dismiss the Supervisory Board (which would require a minimum stake of 33.33%). Instead, the ACM based its conclusions on the power of a majority shareholder to reject the nomination for new members of the Supervisory Board,[67] a power that VESA also enjoys inasmuch as it is highly likely to enjoy a stable majority in the Shareholders' Meeting.

(50) EPCG argues that *'each member of the Supervisory Board, including VESA's representative, is required to sign a non-disclosure agreement as part of their Agreement for Services, thus ensuring no non-public information passes between PostNL and VESA… VESA acquired its interests in PostNL by purchasing shares on the stock market, like any other investor. As such, in practice, it does not have access to the business of PostNL in order to gather information. This also significantly limits its ability to exercise decisive influence over the actions of PostNL.'*[68] The Commission notes that the scope of VESA's access to PostNL's information is not susceptible to affect whether VESA enjoys the power to determine the commercial strategic aspects of PostNL's conduct by virtue of its majority in the Shareholders' Meeting that allows it to veto appointments to the Supervisory Board, veto the remuneration policies of the Supervisory Board and the Board of Management and set the remuneration of the members of the Supervisory Board.

(51) Finally, EPCG refers to prior cases of the Commission relating to *de facto* control, arguing that it arises from these cases that *de facto* control requires that the majority at the Shareholders' Meeting would allow the shareholder to positively appoint senior management, approve the budget, business plan or significant investment. According to EPCG, VESA does not have equivalent powers.[69] The Commission notes, first, that it is not bound by its previous decisions, which were adopted in different cased, on the basis of different notification and different filed[70]. In any event, according to point 54 CJN, sole control can arise even when '*only one shareholder has the power to veto strategic decisions in an undertaking even if it does not have the power on its own to impose such decisions*'. As explained above, with its majority in the Shareholders' Meeting of PostNL, the Commission has concluded that VESA can veto the appointment of members to the Supervisory Board, veto the remuneration policies of the Supervisory Board and Board of Management and set the remuneration of the members of the Supervisory Board, and that these powers allow VESA to enjoy, indirectly, the power to determine the strategic aspects of PostNL's conduct.

5.3. Conclusions

(52) Based on the foregoing, the Commission finds that VESA is highly likely to achieve a majority in the Shareholders' Meeting of PostNL and to exercise decisive influence on it. Consequently, the Commission concludes that VESA *de facto* controls PostNL.

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67 Form CO, paragraph 125.

68 Form CO, paragraph 129.

69 Form CO, paragraph 130-133.

70 Case T-251/19, *Wieland-Werke* v *Commission*, EU:T:2022:296, §78-79.

6. MARKET DEFINITION

6.1. Relevant product market for small package delivery services

(53) GLS and PostNL are both active on the market for the provision of small package delivery services in the Netherlands.[71] As explained above in paragraph (6) *et seq*, this overlap gives rise to affected markets under certain plausible market definitions as identified at paragraphs (75) below.

6.1.1. The Commission's previous practice

(54) The Commission has previously considered mail delivery services (postal mail delivery), small package delivery services (which are the delivery of smaller packages, commonly defined according to weight, which a single person can handle without specific equipment) and freight forwarding (which is the organisation of transportation of items (including possible ancillary activities such as customs clearance, warehousing, ground services etc.), on behalf of customers according to their needs) as separate relevant markets.[72] With regard to small package delivery services, the Commission in its previous practice has defined it as relating to smaller parcels which weigh under 31.5 kg.[73] Freight forwarding, on the other hand, relates to larger shipments, which usually require specific handling equipment and delivery infrastructure and usually cannot be handled by a single individual. Customers of small package delivery services have different requirements (in particular door-to-door transportation, assured transit time, track & trace) and expectations (reliability, security, global or at least EEA-wide coverage) compared to freight forwarding. As a result, carriers also handle the small package shipments differently. Regarding mail delivery services, competitors and customers explained, that they are characterised by a different size (e.g., restricted to items '*that fit into the mailbox*'[74]), weight (e.g., limited to 2 kg[75]) and format (typically envelope) and respective sorting flows, compared to small package delivery.[76]

(55) Small package delivery services are differentiated with several potential sub-segments:

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71 Form CO, Table 10.

72 See Commission decisions of 30 July 2024, Case M.11558 – bpost / Staci, paragraphs 19-21; 8 January 2016, Case M.7630 – FedEx/TNT Express, paragraphs 79-80; 30 January 2013, Case M.6570 – UPS/TNT, paragraphs 36 and 164; 15 February 1999, Case M.1405 – TNT Post Group/Jet Services, paragraph 24; 21 April 2009, Case M.5152 – Posten AB / Post Danmark A/S, paragraphs 12 and ff and 49 and ff; 7 February 2000, Case M.1794 - Deutsche Post/Air Express International, paragraph 8, 24 November 2005, Case M.3971 - DEUTSCHE POST / EXEL, paragraphs 8 *et seq*; 4 July 2012, Case M.6503 - LA POSTE/ SWISS POST/ JV, paragraphs 18 *et seq*.

73 31.5 kg is the estimated weight that can be handled by a single person without mechanical aids. Small packages are commonly referred to as "parcels". Regulation (EU) 2018/644 of the European Parliament and of the Council of 18 April 2018 on cross-border parcel delivery services, OJ L 112, 2.5.2018, p. 19, recital 16 and Article 2(1).

74 Non-confidential minutes of a call with a competitor, 21 October 2024, paragraph 4.

75 Non-confidential minutes of a call with a competitor, 7 November 2024, paragraphs 11.

76 Non-confidential minutes of a call with a competitor, 7 November 2024, paragraphs 10 and11, non-confidential minutes of a call with a customer, 19 November 2024, paragraph 6, non-confidential minutes of a call with a competitor, 22 October 2024, paragraph 9; non-confidential minutes of a call with a competitor, 21 October 2024, paragraphs 4 and 8; non-confidential minutes of a call with a customer, 15 November 2024, paragraph 9; non-confidential minutes of a call with a competitor, 22 November 2024, paragraph 4; non-confidential minutes of a call with a customer, 13 November 2024, paragraph 6; non-confidential minutes of a call with a competitor, 15 November 2024, paragraph 8.

(a) In terms of speed, the Commission has considered a distinction between express and deferred services, as they serve different customer needs, are based on different infrastructure, and are priced differently.[77]

(b) In terms of the geography of delivery services, the Commission has considered the segmentation based on whether the packages are picked-up and delivered in the same country (domestic), or in two different countries (international). Regarding international services from EEA countries, the Commission established a further distinction between deliveries with a destination within the EEA (international intra-EEA) or outside the EEA (international extra-EEA).[78]

(c) In addition, the Commission distinguished between small package delivery services to consumers (C2X) and businesses (B2C and B2B) in its previous decisions.[79]

6.1.2. The Parties' views

6.1.2.1. Mail delivery services, small package delivery services and freight forwarding

(56) The Parties generally do not dispute the Commission's approach in distinguishing between the market for mail delivery services, small package delivery services and freight forwarding.[80]

6.1.2.2. Express and deferred small package delivery services

(57) The Parties consider that express and deferred services should be considered to constitute the same relevant product market within the context of the Transaction. Notably, the Parties argue that infrastructural requirements for express deliveries are strongly linked to their geographical scope. The domestic market of the Netherlands is relatively small compared to other domestic geographies. Deliveries of express packages are done by the same couriers. In addition, delivery timeframes for standard and deferred packages are comparable. Lastly, according to the Parties, there is supply-side substitution between express and deferred services, which exert competitive constraint on each other. Therefore, the Parties consider the segmentation between express and deferred small package delivery services to be artificial.[81]

6.1.2.3. Domestic and international small package delivery services

(58) The Parties argue that, as long as the service provider has a domestic proprietary network in the customer's home country, the barriers of entry to provide international intra-EEA services to an end location are not high. As regards market participants without a local network, they only require a local partner to create an end-to-end service. The Parties also note that there are many examples of domestic providers starting to provide international intra-EEA small package delivery services. Therefore, the Parties consider that the distinction between domestic and

77 See Commission decision of 30 January 2013 in Case M.6570 - UPS/TNT Express, paragraph 219.

78 See Commission decisions of 21 April 2009 in case M.5152 – Posten / Post Danmark, paragraphs 54-57; and 30 January 2013 in Case M.6570 - UPS/TNT Express, paragraphs 182 and 187.

79 See Commission decision of 21 April 2009 in case M.5152 – Posten / Post Danmark, paragraphs 58-63.

80 Form CO, paragraphs 194 *et seq*., paragraphs 204 *et seq.*, and paragraph 253.

81 Form CO, paragraphs 208 *et seq*.

international intra-EEA small package delivery services is artificial. However, the Parties consider that extra-EEA services constitute a separate market due to the need for specific infrastructure and knowledge (customs clearance processes).[82]

6.1.2.4. Small package delivery services from consumers (C2X) and businesses (B2C and B2B)

(59) Regarding the distinction between the types of customers, the Parties note that in its recent practice the ACM considered that the differences underpinning this distinction are '*becoming smaller*'.[83] In addition, the Parties consider that the proliferation of remote working and, in general, the converging expectations of customers blur this distinction. The Parties also note that technological improvement have reduced the differences between delivery to businesses and consumers. Lastly, the Parties note that there is supply-side substitutability between deliveries to-and from different customers. Therefore, the Parties consider that all types of customer categories, and especially the categories B2B and B2C should be considered in the same relevant market.[84]

6.1.3. The Commission's assessment

6.1.3.1. Mail delivery services, small package delivery services and freight forwarding

(60) The competitors and customers consulted in the pre-notification market investigation generally confirmed that small package delivery services and freight forwarding constitute separate product markets, and only one competitor noted that they could be considered closely related with overlaps in certain specific cases (e.g. a freight forwarder might transport a package which is 30 kg).[85]

(61) Regarding mail delivery services, the pre-notification market investigation generally clarified that, while some parcels may be sufficiently light and small to be delivered through the mail infrastructure, mail delivery services remain distinguishable from small package delivery services, as mail is characterised by a different format, designed to fit in post boxes.[86]

(62) Based on the above, the Commission considers that the delivery of small packages under 31.5 kg falls into a separate product market from freight forwarding.

6.1.3.2. Express and deferred small package delivery services

(63) Generally, the pre-notification market investigation pointed towards the differentiation between express and deferred small package delivery services remaining relevant. While some market participants considered that this

82 Form CO, paragraphs 204 *et seq*.

83 Form CO, paragraph 220, referring to ACM decision in case ACM/19/035460, Verbod van concentratie PostNL N.V. en SHM Beheer II B.V., paragraphs 88 and 89, translated from Dutch.

84 Form CO, paragraphs 218 *et seq*.

85 Non-confidential minutes of a call with a competitor, 7 November 2024, paragraph 10, non-confidential minutes of a call with a competitor, 22 November 2024, paragraph 4, non-confidential minutes of a call with a competitor, 22 October 2024, paragraph 9, non-confidential minutes of a call with a customer, 15 November 2024, paragraph 9, non-confidential minutes of a call with a customer, 13 November 2024, paragraph 6.

86 Non-confidential minutes of a call with a competitor, 7 November 2024, paragraphs 11, non-confidential minutes of a call with a competitor, 22 November 2024, paragraph 4, non-confidential minutes of a call with a competitor, 22 October 2024, paragraph 9.

segmentation is "*less significant*" for smaller geographies like the Netherlands,[87] the majority of respondents agreed that the distinction between these services is relevant.[88] In particular, there are examples where there is a clear-cut separation between express and standard services, which operate independently, based on clearly distinct infrastructural elements (such as services provided via air transport or by a number of specialized outlets).[89] Furthermore, a competitor noted that differences between express and deferred services persist also for domestic delivery in peak times in the Netherlands, explaining that: '*the average delivery time of standard parcels is often similar to that of express, typically next day in the Netherlands […]. In peak seasons there can still be that standard delivery services may take longer*'.[90] Another competitor clarified that express services differ from standard, as delivery within a set timeframe is guaranteed and that, therefore, different transport modes may be used.[91]

(64) In any event, the Commission considers that, for the purposes of this decision, the exact scope of the product market definition can be left open, since the Transaction does not raise serious doubts as to its compatibility with the internal market under any plausible product market definition.

6.1.3.3. Domestic and International small package delivery services

(65) Competitors and customers agreed with the Commission's previous segmentation between domestic, intra-EEA and extra-EEA small package delivery services.[92] For instance, a competitor explained that it internally divides its portfolio along similar lines and considers that competitors maintain a similar division.[93] Moreover, the same market participant confirmed that local competitors, such as PostNL, tend to focus on domestic delivery, even if the barriers to enter international delivery are relatively low.[94] Another competitor noted that there are significant differences between intra- and extra-EEA deliveries, due to customs clearance processes.[95] Lastly, another competitor explained that it '*agrees with the segmentation of the small package delivery services market between domestic, intra-EEA and extra-EEA deliveries, pointing to the fact that the further a parcel has to travel from the point of origin, the more the mode of transportation may change*'.[96] At the same time, a competitor explained that there is a '*trend towards internationalisation*', meaning that several national players are present in international delivery, however local players do not have infrastructure internationally, but outsource services to another player.[97]

87 Non-confidential minutes of a call with a competitor, 22 November 2024, paragraph 5; non-confidential minutes of a call with a customer, 13 November 2024, paragraph 7.

88 Non-confidential minutes of a call with a customer, 15 November 2024, paragraph 11, non-confidential minutes of a call with a customer, 25 October 2024, paragraph 8.

89 Non-confidential minutes of a call with a competitor, 22 October 2024, paragraph 11.

90 Non-confidential minutes of a call with a competitor, 22 October 2024, paragraphs 10-14.

91 Non-confidential minutes of a call with a competitor, 15 November 2024, paragraph 10.

92 Non-confidential minutes of a call with a competitor, 22 November 2024, paragraph 7, non-confidential minutes of a call with a competitor, 22 October 2024, paragraph 15, non-confidential minutes of a call with a customer, 13 November 2024, paragraph 8; non-confidential minutes of a call with a customer, 15 November 2024, paragraph 10.

93 Non-confidential minutes of a call with a competitor, 22 November 2024, paragraph 8.

94 Non-confidential minutes of a call with a competitor, 22 November 2024, paragraphs 8-11.

95 Non-confidential minutes of a call with a competitor, 22 October 2024, paragraph 15.

96 Non-confidential minutes of a call with a competitor, 15 November 2024, paragraph 11.

97 Non-confidential minutes of a call with a competitor, 7 November 2024, paragraphs 8 and 9.

(66) In any event, the Commission considers that, for the purposes of this decision, the exact scope of the product market definition can be left open, since the Transaction does not raise serious doubts as to its compatibility with the internal market under any plausible product market definition.

6.1.3.4. Small package delivery services from consumers (C2X) and businesses (B2C and B2B)

(67) The feedback from competitors on a segmentation of the market for small package delivery services by customer group suggested that a distinction between customers groups may be blurry. The feedback was ultimately not conclusive. During the market investigation, one competitor explained that '*there is a trend that all of these potentially separate sub-sections of the market are 'coming together*'[98]. According to this competitor, the distinction between them is '*highly blurred*'.[99] Another competitor confirmed that it does not identify clearly distinct markets according to customer segments, although '*different providers may focus on different customer segments*'.[100] Similarly, a third competitor noted that, carriers generally serve all customer segments relying on the same infrastructure. Nevertheless, this competitor observed that several notable differences remain between these segments and that, therefore, the segmentation remains relevant. While carriers generally have an interest in competing in both B2B and B2C, the strengths of carriers vary across these segments and switching may be challenging.[101] Other market participants generally agreed with the segmentation.[102] The Commission notes, that, while the market investigation remains inconclusive, the responses show that from a supply perspective the main difficulty may lie in switching to the provision of B2C services from providing B2B services only, rather than in expanding from B2C to B2B. A competitor explained that B2C '*requires enhanced tracking and transparency, […] a more extensive network to provide coverage for B2C customers […] involve shipments to residential areas which cover much larger areas than commercial districts and will inherently have lower delivery density*' compared to B2B services which focus on business hours delivery and denser commercial districts.[103] Other competitors also highlighted such differences, noting that '*in the B2B channel, a carrier typically delivers many parcels to one shop or company, rather than one parcel to a private customer*' and '*B2C deliveries used to require more delivery attempts compared to B2B because recipients may not be home [however this improved with remote-working]*'.[104]

(68) In any event, the Commission considers that, for the purposes of this decision, the exact scope of the product market definition can be left open, since the Transaction does not raise serious doubts as to its compatibility with the internal market under any plausible product market definition.

98 Non-confidential minutes of a call with a competitor, 7 November 2024, paragraphs 6 and 7.
99 Non-confidential minutes of a call with a competitor, 7 November 2024, paragraphs 6 and 7.
100 Non-confidential minutes of a call with a competitor, 22 October 2024, paragraphs 16-19.
101 Non-confidential minutes of a call with a competitor, 22 November 2024, paragraphs 12-15.
102 Non-confidential minutes of a call with a customer, 15 November 2024, paragraph 12; non-confidential minutes of a call with a customer, 19 November 2024, paragraph 9.
103 Non-confidential minutes of a call with a competitor, 22 November 2024, paragraph 14.
104 Non-confidential minutes of a call with a competitor, 22 October 2024, paragraph 18; non-confidential minutes of a call with a competitor, 15 November 2024, paragraph 13.

6.1.3.5. Out-of-home

(69) The Commission notes that a competitor of the Parties highlighted the existence of a potential subsegment within small package delivery services, namely a segment of "*out-of-home*" ('OOH') deliveries. This subsegment consist of delivery options which do not have their end point at a "home" delivery address. Instead, such OOH options may include lockers (also referred to as 'Automated Parcel Machines' or 'APM') available in public spaces. Such lockers would have the package locked inside and may be opened by the addressee, who can collect the package from the locker, out of home. Alternatively, such OOH deliveries may rely on "*pick-up drop-off*" points ('PUDO'), such as publicly accessible establishments, where the addressee can collect the package, out of home.[105] As explained below in paragraph (112), both PostNL and GLS are active in this segment. At the same time, the Commission has no further indication that such a delineation of the market is pertinent in the context of the present case.

(70) In any event, the Commission considers that, for the purposes of this decision, the exact scope of the product market definition can be left open, since the Transaction does not raise serious doubts as to its compatibility with the internal market under any plausible product market definition.

6.2. Relevant geographic markets for small package delivery services

6.2.1. The Commission's previous practice

(71) In the past, the Commission has considered that the geographic scope of the markets for the provision of small package delivery services, and its subsegments, are likely national in scope. In particular, contracts for small package deliveries are mostly negotiated at national level for both domestic and international deliveries, and small package delivery companies need a significant national presence in a given country (e.g. infrastructure, client contracts, sales force) in order to meaningfully compete in that country. However, the Commission noted that there may be a tendency towards broader markets.[106]

6.2.2. The Parties' views

(72) The Parties consider that, while certain Member States indeed function as national markets, certain groupings of other Member States may be considered as regional markets for small package delivery services. The Parties argue that Belgium, Luxembourg and the Netherlands function as one regional market given their shared geography (low and flat), similar economic size (proportionate to population) and similar culture (to the extent that the countries are colloquially grouped together as Benelux). These similarities allow service providers to expand easily, utilising similar pricing and marketing as in the Benelux Member State where they are headquartered. Therefore, the Parties submit that the geographic scope of the market should be defined as the Benelux.[107]

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105 Non-confidential minutes of a call with a competitor, 22 November 2024, paragraphs 20-21.

106 See Commission decisions of 30 January 2013, Case M.6570 – UPS/TNT Express, paragraph 242; 30 July 2024, Case M.11558 – bpost / Staci, paragraph 25; 21 April 2009, Case M.5152 – Posten AB/Post Danmark, paragraph 74; 24 November 2005, Case M.3971 – Deutsche Post/Exel, paragraph 31; and 19 June 2004, Case M.3155 – Deutsche Post/Securicor, paragraph 11.

107 Form CO, paragraphs 242 *et seq*.

6.2.3. The Commission's assessment

(73) In the present case, the pre-notification market investigation generally confirmed the Commission's previous approach. However, market participants have indicated that the geographic scope may have broader-than-national characteristics in specific circumstances. One competitor explained that small package delivery is '*primarily domestic*', however '*for cross-border shipments, it is possible to bypass the domestic parcel delivery provider in the origin country by driving across the border and injecting the parcel directly on the domestic network of the destination country*'.[108] Another competitor noted that customers for domestic delivery '*typically rely on carriers that have a local presence and, for example, operate in the same language as the customer*'. [109] While most carriers offer services internationally, this is not necessarily based on local presence.[110] A customer explained that for domestic small package delivery it would contact a domestic supplier, while another customer explained that domestic package delivery services are national, in that it '*would not consider, for example, carriers from Germany for delivering packages within the Netherlands*'.[111] Therefore, the market investigation seems to indicate that broader-than-national characteristics may arise from time-to-time, but it does not provide robust evidence to change the Commission previous practice defining the market as national.

(74) In any event, the Commission considers that, for the purposes of this decision, the exact scope of the geographic market definitions regarding the supply of small package delivery services may be left open, since the Transaction does not raise serious doubts as to its compatibility with the internal market under any plausible market definition (i.e., national or broader than national). Below the Commission will assess the effects of the Transaction under the narrowest plausible geographic market definition, namely the national market for the Netherlands.[112]

6.3. Conclusion

(75) In light of the above, and for the purposes of this decision, the Commission considers that (i) there is a separate product market for the delivery of small packages under 31.5 kg, and (ii) the further exact scope of the product market definition for the supply of small package delivery services can be left open, since the Transaction does not raise serious doubts as to its compatibility with the internal market under any plausible product market definition. The Commission will assess the effects of the Transaction by reference to each of the plausible affected markets, namely: (i) to the overall market for small package delivery services (including domestic, international, standard, express, and potential segmentations to B2B, B2C and C2X), where the Transaction gives rise to horizontally affected markets in the Netherlands, as well as (ii) to the subsegments within this overall market which give rise to horizontally affected markets in the

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108 Non-confidential minutes of a call with a competitor, 22 October 2024, paragraphs 22 and 23.

109 Non-confidential minutes of a call with a competitor, 22 November 2024, paragraph 16.

110 Non-confidential minutes of a call with a competitor, 22 November 2024, paragraph 16.

111 Non-confidential minutes of a call with a customer, 19 November 2024, paragraphs 11. Non-confidential minutes of a call with a customer, 25 October 2024, paragraphs 11-13. This customer also explained that it has used DHL Germany for delivery from the Netherlands to Germany, however, this was based on the proximity of the distribution centre to the German border, moreover, the customer clarified that it would not use DHL Germany to deliver domestically within the Netherlands.

112 *See* also footnote 10.

Netherlands, namely (a) domestic overall (including standard, express and all their potential segmentations to B2B, B2C and C2X), (b) domestic standard, and (c) domestic standard segmented into (i) B2B, (ii) B2C and (iii) C2X (the latter being affected only if measured in volume of packages delivered). The Commission also considered the competitive dynamics on a narrower hypothetical OOH segment.

7. COMPETITIVE ASSESSMENT

7.1. Legal framework

(76) Article 2 of the Merger Regulation requires the Commission to examine whether notified concentrations are compatible with the internal market, by assessing, pursuant to Articles 2(2) and (3), whether they would significantly impede effective competition in the internal market or in a substantial part of it, in particular as a result of the creation or strengthening of a dominant position.

(77) Pursuant to Article 6(1)(b) of the Merger Regulation, where the Commission finds that the notified concentration does not raise serious doubts as to its compatibility with the internal market, the Commission shall decide not to oppose the concentration and declare it compatible with the internal market.

(78) Horizontal effects are those deriving from a concentration where the undertakings concerned are actual or potential competitors of each other in one or more of the relevant markets concerned. The Commission appraises horizontal effects in accordance with the Horizontal Merger Guidelines.[113] Horizontal effects may be non-coordinated or coordinated.

(79) As regards horizontal non-coordinated effects, according to paragraph 26 of the Horizontal Merger Guidelines, a number of factors (the list of which is non exhaustive) may be taken into account in order to determine whether significant non-coordinated effects are likely to result from a concentration, including the combined entity's market power, closeness of competition, the possibility for customers to switch suppliers, and barriers to entry and/or expand.

(80) According to paragraph 27 of the Horizontal Merger Guidelines, the larger the market share, the more likely a firm is to possess market power. Furthermore, the larger the addition of market share, the more likely it is that a merger will lead to a significant increase in market power.

(81) According to paragraphs 28 and ff. of the Horizontal Merger Guidelines, a merger between close competitors is more likely to have anticompetitive effects and lead to a significant increase in price. The higher the degree of substitutability between the merging firms' products, the more likely it is that the merging firms will raise prices significantly.

(82) According to paragraphs 31 and 32 of the Horizontal Merger Guidelines, another factor that may lead to a finding that significant non-coordinated effects are likely to result from a merger is whether customers have limited possibilities of switching suppliers or whether competitors are unlikely to increase their supply if prices increase post-merger.

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113 Guidelines on the assessment of horizontal mergers under the Council Regulation on the control of concentrations between undertakings, OJ C 31, 5.2.2004, pp. 5–18 ('Horizontal Merger Guidelines').

(83) According to paragraphs 33 and 68 of the Horizontal Merger Guidelines, when entering a market is sufficiently easy or when market conditions are such that rival firms have enough capacity and find it profitable to expand output sufficiently, a merger is unlikely to pose any significant anti-competitive risk.

7.2. Small package delivery services in the Netherlands

(84) For the reasons provided below, the Commission is of the view that the Transaction does not raise serious doubts as to its compatibility with the internal market due to the horizontal overlaps between GLS and PostNL in the provision of small package delivery services (and any of its subsegments) in the Netherlands.

7.2.1. Market structure

(85) The complete market share breakdown of the affected markets, as provided by EPCG in the Form CO, for each of 2021, 2022 and 2023 is presented in **Annex I** to this Decision. **Table 1** below provides an extract showing the market shares of PostNL and GLS in 2023.

Table 1 – PostNL and GLS' market shares on the affected markets by value and volume in 2023 (Parties' estimates)[114]

2023	**Value[115]**	**Volume**	**Value**	**Volume**	**Value**	**Volume**
Market	**Overall**		**Overall Domestic**		**Domestic Standard**	
PostNL		[20-30]%	[30-40]%	[30-40]%	[30-40]%	[30-40]%
GLS		[5-10]%	[0-5]%	[5-10]%	[0-5]%	[5-10]%
Combined		**[30-40]%**	**[30-40]%**	**[40-50]%**	**[40-50]%**	**[40-50]%**
Market	**Domestic Standard B2C**		**Domestic Standard B2B**		**Domestic Standard C2X**	
PostNL	[30-40]%	[30-40]%	[30-40]%	[30-40]%		[40-50]%
GLS	[0-5]%	[0-5]%	[5-10]%	[10-20]%		[0-5]%
Combined	[30-40]**%**	**[40-50]%**	**[40-50]%**	**[40-50]%**		**[40-50]%**

(86) As shown in **Table 1** above, the combined market shares of PostNL and GLS on the horizontally affected markets or potential markets are high, ranging from [30-40]% to [40-50]% in value and [30-40]% to [40-50]% in volume depending on the segment considered. As shown in Annex I, the combined market shares of PostNL and GLS were equally high in each of 2022 and in 2021. According to the Horizontal Merger Guidelines, as indicated in paragraph (80) above, high market shares may lead to competition concerns.

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114 Form CO, Annex 18.

115 Shares are not reported in this Table in value for the overall market for the provision of small package delivery services in the Netherlands and its domestic standard C2X segment as based on value shares these markets are not affected markets within the meaning of recital 25(g) Annex I to Regulation (EU) 2023/914.

(87) The Commission notes, **first,** that the combined high shares of PostNL and GLS are effectively driven by PostNL's current standalone share, with GLS' increment remaining under [5-10]% in value and [10-20]% in volume in all market segments, except on the domestic standard B2B segment where GLS' increment reaches [5-10]% in value and [10-20]% in volume. As shown in Annex I, this was also the case in 2022 and 2021, when PostNL's shares on a standalone basis were even higher, but GLS' increment was lower, across all segments, both in volume and in value.[116] At the same time GLS' growth in terms of market share has been limited under all market definitions.[117]

(88) This statement is confirmed by the shares published by the ACM, which annually collects and publishes information regarding the mail and parcel markets in the Netherlands. While according to the ACM's estimates, also included in Annex I to this Decision, the market share of PostNL for 2023 is higher than that shown in Table 1 above, leading to higher combined market shares of PostNL and GLS compared to those submitted by EPCG, the Commission notes that, as illustrated by **Table 2** below showing PostNL and GLS' shares according to the ACM's report for 2023, the high combined market shares of PostNL and GLS based on the data collected by the ACM are also driven by the current position of PostNL. The market shares of GLS, and consequently the increments brought about by the Transaction, are modest, remaining below 5% in all segments, except in the domestic B2B segment, where nevertheless it remains below 10%. This was also already the case in 2022 and 2021, based on the data collected and reported by the ACM for these years.[118]

Table 2 – PostNL and GLS' market shares on the affected markets by volume in 2023 (ACM's estimates)[119]

	Overall Domestic	**Domestic B2B**	**Domestic B2C**	**Domestic C2X**
PostNL	50-55%	50-55%	50-55%	60-65%
GLS	<5%	5-10%	<5%	<5%
Combined	**50-60%**	**55-65%**	**50-60%**	**50-60%**

(89) **Second**, as illustrated by **Table 3** below for 2023, in every affected market, PostNL currently faces, and post-Transaction the merged entity will continue to face, strong competition from DHL, whose market shares are similar to those of PostNL, ranging from [20-30]% to [30-40]% in value and [20-30]% to [30-40]% in volume. DHL's shares were similarly high in each of 2022 and 2021, with DHL consistently ranking either first or second, in both volume and value and across all

116 Except in the B2B segment, where the combined share of PostNL and GLS reduces from 2021 ([40-50]% in value and [40-50]% in volume) to 2022 ([40-50]% in value and [40-50]% in volume) and rises again in 2023 (to [40-50]% in value and [40-50]% in volume), following PostNL's standalone share fluctuation.

117 Annex I.

118 ACM's "Post- en pakketmonitor", available (in Dutch only) for each of 2021, 2022 and 2023 at: https://public.tableau.com/app/profile/autoriteit.consument.en.markt/viz/Post-enpakketmonitor/OVER.

119 ACM's "Post- en pakketmonitor", available (in Dutch only) for 2023 at: https://public.tableau.com/app/profile/autoriteit.consument.en.markt/viz/Post-enpakketmonitor/OVER.

segments.[120] Information provided by the Parties regarding the evolution of the shares on the affected markets between 2018 and 2023 shows that a decrease in PostNL's shares is always matched by an increase in DHL's market shares and vice versa.[121]

Table 3 – DHL's market shares on the affected markets by value and volume in 2023 (Parties' estimates)[122]

2023	Value[123]	Volume	Value	Volume	Value	Volume
Market	**Overall**		**Overall Domestic**		**Domestic Standard**	
DHL		[30-40]%	[30-40]%	[30-40]%	[30-40]%	[30-40]%
Market	**Domestic Standard B2C**		**Domestic Standard B2B**		**Domestic Standard C2X**	
DHL	[30-40]%	[30-40]%	[20-30]%	[20-30]%		[20-30]%

(90) The Parties' estimates of DHL's shares for each of 2021, 2022 and 2023 are generally confirmed by the ACM's estimates by volume. By way of illustration, the ACM's estimates of DHL's shares in 2023 were: 35-40% in the overall domestic market; 30-35% in the domestic B2B market, 35-40% in the domestic B2C market and 25-30% in the domestic C2X market.[124]

(91) **Third,** in addition to DHL, the merged entity will continue to face competition from several other smaller carriers. The remainder of the affected markets not captured by PostNL and DHL are fragmented, with (i) a few players in the 5-10% market share range behind PostNL and DHL (and therefore similar in size to GLS), including for example DPD, UPS, Fedex, and/or Amazon depending on the market segment, and (ii) a long tail of additional competitors with shares below 5%, such as Instabee, Mondial Relay, Homerr or Bpost.

(92) **Fourth**, during the market investigation, the majority of customers expressing a view considered that the merger will have either no, or positive impact on competition.[125] Customers also considered that on the overall market for small package delivery services it would be easy to switch service providers.[126] In addition, both customers and competitors confirmed PostNL and DHL as the two strongest competitors on the market for small package delivery services in the

120 Annex I.
121 Form CO, Section 10, A.
122 Form CO, Annex 18.
123 Shares are not reported in this Table in value for the overall market for the provision of small package delivery services in the Netherlands and its domestic standard C2X segment as based on value shares these markets are not affected markets within the meaning of recital 25(g) Annex I to Regulation (EU) 2023/914.
124 ACM's "Post - en pakketmonitor", available (in Dutch only) at: https://public.tableau.com/app/profile/autoriteit.consument.en.markt/viz/Post-enpakketmonitor/OVER.
125 Non-confidential replies to questions C.A.6, C.B.6, C.C.6, C.D.6, C.E.6, and C.F.6 of the questionnaire to customers of small package delivery services in the Netherlands ('Customer Questionnaire').
126 Non-confidential replies to questions C.A.1 and C.A.4 of the Customer Questionnaire.

Netherlands[127] and maintained that the market is otherwise fragmented.[128] By way of example, one competitor described the Dutch market for small package delivery services as '*fragmented and dynamic'*, further explaining that '*[i]t is fragmented because there are a few large competitors and several smaller competitors*'.[129] That same competitor stated that in the domestic market for small packages in the Netherlands, the market leader is the incumbent, PostNL, followed by DHL, and named UPS, DPD, Amazon and GLS as examples of other carriers active on the Dutch market '*albeit with lower, single-digit market shares*'.[130] One large B2C customer explained that the Dutch carrier market '*is in general a competitive market with multiple players competing for volume*'.[131]

(93) On the basis of the above, the Commission acknowledges that the combined market shares post-Transaction will be high, and the market is concentrated. At the same time, the market investigation did not provide sufficient evidence for the Commission to conclude that serious doubts may arise, considering the change the Transaction would bring in the market structure. This is due notably to the fact that the increment brought about by GLS is low to rather moderate and the market structure in the relevant markets will remain similar post-Transaction compared to the current market structure. In particular, the merged entity will continue to face competitive pressure from its largest competitor, DHL. In addition to DHL, the market will continue to benefit from several smaller dynamic competitors. At least three of these competitors are long-standing competitors, that are similar in size to GLS, such as UPS, DPD and FedEx.[132]

7.2.2. Closeness of competition[133]

(94) The Commission considers that PostNL and GLS are not particularly close competitors. This view has been substantiated by the information submitted by the Parties and the market investigation, as explained in the following paragraphs.

(95) **First**, the Commission finds that, as regards the overall market for the provision of small package delivery services in the Netherlands, PostNL and GLS do not appear to be close competitors. Notably, they have a different customer focus and derive most of their demand from different sources.[134] PostNL is the Dutch universal mail service obligation provider, and therefore, it is predominantly a [customer type A], and only approximately […]% of its overall parcel deliveries are [customer type B]. At the same time, GLS is a UK-based international player, predominantly active in [customer type B]. Indeed, [customer type B] represents approximately […]% of the parcel deliveries for GLS.[135] Relatedly, evidence submitted by the

127 For example, non-confidential minutes of a call with a customer, 13 November 2024, paragraph 10; non-confidential minutes of a call with a competitor, 22 November 2024, paragraph 18; see also non-confidential replies to questions C.A.4.1, C.B.4.1, C.C.4.1, C.D.4.1, C.E.4.1, C.F.4.1 of the Customer Questionnaire.

128 For example, non-confidential minutes of a call with a competitor, 22 November 2024, paragraphs 17 and 18; see also non-confidential replies to questions C.A.4.1, C.B.4.1, C.C.4.1, C.D.4.1, C.E.4.1, C.F.4.1 of the Customer Questionnaire.

129 Non-confidential minutes of a call with a competitor, 22 November 2024, paragraph 17.

130 Non-confidential minutes of a call with a competitor, 22 November 2024, paragraph 18.

131 For example, non-confidential replies of a customer to question C.B.4.1 of the Customer Questionnaire.

132 Annex I.

133 Horizontal Merger Guidelines, paragraphs 28 and ff and paragraph (81) above.

134 Form CO, Section 10, A and D.

135 Form CO, paragraph 471.

Parties shows that PostNL and GLS have different pricing structures, with PostNL offering lower prices for smaller and lighter parcels, whereas GLS varies prices by size and not by weight. This also indicates that PostNL and GLS focus on different customers. In addition, PostNL derives most of its demand from its strong position in the mail postal services on the [description of different basis for demand], whilst GLS derives most of its demand from its strong [description of different basis for demand].[136] '[confidential details on competitive dynamics][137]

(96) Competitors contacted during the pre-notification investigation also supported this view. By way of example, one competitor explained that '*PostNL and GLS are not particularly close competitors, they are rather complementary*'.[138] These points were echoed in customers' responses to the market investigation, with for example one customer pointing to their different customer focus, and another to PostNL's primarily domestic services compared to GLS' strong cross-border distribution services.[139]

(97) **Second,** PostNL appears to compete more closely with DHL than with GLS. As mentioned above, the Parties provided information showing the evolution of the shares on the affected markets between 2018 and 2023. This information showed that a decrease in PostNL shares is [market mechanics].[140] On the other hand, the evolution of PostNL and GLS' market shares do not appear to be linked specifically.[141] The market share data available on the Commission's file supports this analysis.[142] Moreover, during a pre-notification investigation call, PostNL itself identified DHL as its biggest competitor in the Netherlands, and stated that '*in determining its strategy, PostNL* […], and '*it*[…]' such as GLS, DPD, UPS or Fedex for example.[143] Another competitor, also contacted during the pre-notification investigation, further suggested that GLS competes more closely not with domestic players, such as PostNL, but with integrated international networks, such as DPD[144].

(98) **Third,** whilst the market investigation confirmed that GLS is an important player in the market (with the notable exception of the domestic standard C2X segment which can be explained by GLS' B2B focus),[145] a majority of customers that expressed an opinion confirmed that PostNL and GLS compete less closely with each other than each of them competes with other rivals, both in the overall market and across all affected domestic segments of the small package delivery services market in the Netherlands.[146] When considering the overall market for small package delivery, customers expressing a view submitted that there is a competitive relationship between GLS and PostNL; however, PostNL, as a local

136 Form CO, paragraph 478.
137 Non-confidential minutes of a call with PostNL, 21 October 2024, paragraph 16.
138 Non-confidential minutes of a call with a competitor, 7 November 2024, paragraph 17.
139 Non-confidential replies to question C.A.2.1 of the Customer Questionnaire.
140 Form CO, Section 10, A and Annex 18.
141 Form CO, Section 10, A.
142 Form CO, Annex 18.
143 Non-confidential minutes of a call with PostNL, 21 October 2024, paragraphs 17 and 18.
144 Non-confidential minutes of a call with a competitor, 22 October 2024, paragraph 28. DPD is a brand of Geopost ("DPD). which is part of the La Poste Groupe and delivers small packages across Europe. Geopost is present in Europe in almost all European countries through different brands such as DPD.
145 Non-confidential replies to questions C.A.3, C.B.3, C.C.3, C.D.3, C.E.3, C.F.3 of the Customer Questionnaire.
146 Non-confidential replies to questions C.A.2, C.B.2, C.C.2, C.D.2, C.E.2, C.F.2 of the Customer Questionnaire.

player mainly competes with DHL, while GLS is mainly active internationally.[147] In particular, in connection with the B2B segment, customers notably pointed to (i) the fact that PostNL is predominantly a B2C player, (ii) differences in prices between PostNL and GLS, and (iii) GLS mainly competing with carriers with also strong express services such as DHL and DPD.[148] In connection with the B2C segment, customers referred to (i) GLS having less developed capabilities and lower capacity compared to PostNL, and (ii) GLS' focus predominantly on B2B and in B2C for export, compared to PostNL, referred to as the '*preferred carrier for domestic B2C shipping for the SME market'*.[149] In connection with the C2X segment, customers expressing a view agreed that PostNL and GLS compete less closely than with other rivals, and noted that PostNL offers primarily domestic services, while GLS is mainly active and strong in cross-border services.[150]

(99) On the basis of the above, the Commission is of the view that on the affected markets in this case, PostNL and GLS focus their activities on different market sub-segments, that PostNL competes more closely with DHL than it competes with GLS and that GLS competes more closely with integrated international players (such as DPD) than with PostNL.

7.2.3. Possibility to switch between suppliers[151]

(100) The Parties submit that there are enough alternatives to PostNL and GLS, and that switching costs are not a key consideration for customers, as the costs for customers of switching suppliers tend to be low.[152] The Parties further submit that there is likely to be a material degree of excess capacity in the market,[153] and that competitors of PostNL and GLS would be able to easily increase incremental supply in the potential segments for domestic standard B2B, B2C and C2X delivery which would offset the benefits from any hypothetical price increase post-Transaction.[154] Moreover, the Parties submit that all other main carriers active in the Dutch small parcel delivery market are multilane (i.e. serve more than one customer segment), and have the resources and expertise to readily increase capacity in a timely and sufficient manner.[155]

(101) **First,** the Commission finds that, as explained in further detail above in Section 7.2.1 and illustrated in Annex I, the affected markets are fragmented, and the merged entity will continue to face a strong competitor in DHL across all segments as well as several other competitors of different strengths.

(102) **Second,** based on the below considerations and all evidence available to it, the Commission on balance is of the view that customers of small package delivery services in the Netherlands will have the possibility to protect themselves should

147 Non-confidential replies to question C.A.2.1 of the Customer Questionnaire.
148 Non-confidential replies to question C.D.2.1 of the Customer Questionnaire.
149 Non-confidential replies to question C.E.2.1 of the Customer Questionnaire.
150 Non-confidential replies to question C.F.2 and C.F.2.1 of the Customer Questionnaire.
151 Horizontal Merger Guidelines, paragraphs 31-32 and paragraph (82) above.
152 Form CO, paragraph 459.
153 Replies of the Parties to a request for information ('RFI 1') from the Commission, submitted on 9 December 2024, question 9, paragraph 29.
154 Replies of the Parties to a request for information ('RFI 1') from the Commission, submitted on 9 December 2024, question 9, paragraph 30.
155 Replies of the Parties to a request for information ('RFI 1') from the Commission, submitted on 9 December 2024, question 9, paragraph 31.

the merged entity raise prices post-Transaction by switching suppliers for part or all of their requirements.

(103) *In the first place*, the market investigation revealed that B2B and B2C customers often opt for a multi-carrier set-up (sourcing small package delivery services from multiple different service providers in the same jurisdiction), or a mixed set up (with multiple carriers in certain jurisdictions and single carriers in other jurisdictions), indicating the ability to switch suppliers (see also paragraph (107) below).[156] One large B2C customer explained that multi-sourcing allows them to take into account any customer preferences and to have a back-up provider in case of disruptions.[157] Another added that multi-sourcing gives it negotiation leverage.[158] In addition, one competitor stated that '*customers are not locked in in any way*', notably pointing to the absence of long-term contracts.[159] Some customers, in particular large B2C customers, organize tenders for the selection of their carriers,[160] and sign contracts of relatively short duration with built-in flexibility. One such large B2C customer explained that it contracts with small package delivery services providers based on framework agreements, rather than on an *ad hoc* basis, but that '*exclusivity is not guaranteed*' and, in any event, the typical duration of these contracts is short, between one or two years, and they allow for termination if the provider does not meet the terms of service or targets, such that it is '*relatively easy to switch suppliers*'.[161] Another customer explained in the market investigation: '*in case needed, we can always switch. We currently already use multiple carriers to avoid any risks*'.[162]

(104) Based on the market investigation, switching as such appears to be feasible. At the same time, the Commission understands that in situations where B2B and B2C customers may need to switch to a new carrier as opposed to simply reallocating volume between existing carriers, the switching may entail certain hurdles (materially impacting business and potentially resulting in operational disturbances), as it could (i) take some time (in particular if tendering processes are involved) and (ii) some level of investments in IT setup and testing time to ensure the requisite level of customer experience. However, these constraints appear moderate in terms of time and cost and none of the market participants considered this a prohibitive obstacle to switching.[163]

(105) Finally, in the C2X segment, switching is not a concern as customers are coincidental (i.e. not stable, recurring) customers that typically select carriers on an *ad hoc* basis and face moderate switching costs.[164]

(106) *In the second place*, several market participants explained that currently there is ample spare capacity, such that competitors of PostNL and GLS would be able to

156 For example, non-confidential minutes of a call with a customer, 13 November 2024, paragraph 4.
157 Non-confidential minutes of a call with a customer, 15 November 2024, paragraph 16.
158 Non-confidential minutes of a call with a customer, 19 November 2024, paragraph 12.
159 Non-confidential minutes of a call with a competitor, 7 November 2024, paragraph 21.
160 For example, non-confidential minutes of a call with a customer, 25 October 2024, paragraph 16; non-confidential minutes of a call with a customer, 13 November 2024, paragraph 11.
161 Non-confidential minutes of a call with a customer, 25 October 2024, paragraphs 16-17.
162 Non-confidential replies of a customer to question C.A.1.1 of the Customer Questionnaire.
163 Non-confidential replies to questions C.D.1, C.D.1.1, C.E.1 and C.E.1.1 of the Customer Questionnaire.
164 Replies of the Parties to a request for information ('RFI 1') from the Commission, submitted on 9 December 2024, question 6, paragraph 25.

take over additional volumes. One competitor stated that '*there is no capacity shortage of suppliers. During the COVID-19 pandemic capacities have expanded, and the market is currently in recession with spare capacity available*'.[165] One customer specifically addressed the case of the Netherlands, explaining that '*there are no parcel-delivery capacity issues on the market in the Netherlands (…)*'.[166] Another customer stated that, according to their knowledge, '*there are unutilized capacities within the rivals network in the NL market*'.[167] In addition, one customer indicated that DHL is '*adding some domestic capacity*', and UPS is '*boosting its domestic business*'.[168] The Commission acknowledges that, given the strength of PostNL, one competitor alone may not be able to take over the entire PostNL volume, but (i) as explained above in this paragraph, the market investigation indicates that there are several competitors that could take over additional volumes and (ii) DHL will remain a strong competitor post-Transaction, and it can already absorb certain volumes.[169]

(107) *In the third place,* in connection with both the overall small package delivery services market and its affected domestic segments, the majority of customers that expressed an opinion in the market investigation: (i) indicated that they would have the possibility to easily switch between delivery services providers, taking into account the capacity of other active competitors and any switching costs,[170] and that (ii) there is sufficient competition, that is to say a sufficient number of alternative competitors with sufficient capacity, to prevent the combined entity from increasing prices and/or degrading the quality of service following completion of the Transaction.[171]

(108) On the basis of the above, the Commission is of the view that, on the affected markets in this case, customers of small package delivery services in the Netherlands will have the possibility to protect themselves should the merged entity raise prices post-Transaction by switching suppliers for part or all of their requirements.

7.2.4. Entry and expansion by competitors[172]

(109) The Commission considers that the conditions of paragraphs 33 and 68 of the Horizontal Merger Guidelines are met in the present case.

(110) **First,** with regard to potential entry of competitors on the Dutch market for the provision of small package delivery services, the Parties reported three significant entries over the last five years, namely Instabee, Mondial Relay and Amazon Logistics.[173] Budbee also entered the Dutch market recently, in 2019, after starting

165 Non-confidential minutes of a call with a customer, 7 November 2024, paragraph 22.
166 Non-confidential minutes of a call with a customer, 15 November 2024, paragraph 18.
167 Non-confidential replies of a customer to questions C.B.5.1, C.C.5.1., C.E.5.1 of the Customer Questionnaire.
168 Non-confidential replies of a customer to questions C.A.5.1, C.B.5.1, C.C.5.1, C.D.5.1, C.E.5.1, C.F.5.1 of the Customer Questionnaire.
169 Non-confidential replies to questions C.D.5.1 and C.E.5.1 of the Customer Questionnaire.
170 Non-confidential replies to questions C.A.1, C.B.1, C.C.1, C.D.1, C.E.1, C.F.1 of the Customer Questionnaire.
171 Non-confidential replies to questions C.A.4, C.B.4, C.C.4, C.D.4, C.E.4, C.F.4 of the Customer Questionnaire.
172 Horizontal Merger Guidelines, paragraph 33 and 68. See also paragraph (83) above.
173 Form CO, paragraph 491.

in Sweden in 2015[174] and initial market expansion into Finland and Denmark in 2018.[175] In addition, one customer indicated that Dragonfly Shipping recently entered the Dutch market.[176] While there are indications that market entry may not be easy, in particular in order for competitors to reach competitive scale,[177] those examples illustrate that market entry remains possible.

(111) **Second,** as regards output expansion, the majority of customers that expressed an opinion in the market investigation indicated that rivals of PostNL and GLS would be able to expand in the market to meet additional demand post-Transaction. The only exception concerned the domestic standard B2B segment, where customer replies to the market investigation were inconclusive.[178]

(112) **Third,** PostNL and GLS are active in the market for small package deliveries through (i) home deliveries as well as (ii) OOH deliveries through PUDOs and APM (i.e., lockers). PostNL contracts with PUDOs for access and has its own locker network. Until January 2024, PostNL's lockers were operated as a closed network, meaning that only PostNL could use these lockers for the purpose of its small package deliveries. In 2022, PostNL announced plans to open its locker network to allow its competitors access to its parcel lockers.[179] PostNL concluded its first contract, with GLS, in [non-publicly disclosed content of a contract].[180] The contract allows GLS to use all of PostNL's lockers. GLS does not […].[181]

(113) The Commission has assessed PostNL and GLS' capabilities in OOH services in the Netherlands, in particular access to PostNL's PUDOs and APM. The Commission finds that those capabilities are unlikely to hinder expansion of rivals in the small package delivery services market given the availability of alternative ways to serve customers out-of-home.

(114) *In the first place***,** the Commission notes that PostNL and GLS' OOH networks only represent a moderate proportion of the overall OOH network in the Netherlands. EPCG submitted that PostNL and GLS' OOH networks represent around [20-30]% and [0-5]% of the Dutch OOH network respectively.[182] In addition, many other market participants are also active in OOH small package deliveries, including (i) DHL, with an estimated [20-30]% share of the Dutch OOH network, (ii) Mondial Relay, with an estimated [10-20]% share, (iii) DPD, with an estimated [10-20]% share, (iv) Homerr and UPS, with an estimated [5-10]% share

174 Form CO, paragraph 493.

175 https://www.parcelandpostaltechnologyinternational.com/news/delivery/budbee-expands-into-the-netherlands.html

176 Non-confidential replies of a customer to questions C.A.5.1, C.B.5.1, C.C.5.1, C.D.5.1, C.E.5.1, and C.F.5.1 of the Customer Questionnaire.

177 Non-confidential replies to questions C.A.4.1, C.B.5.1, C.C.5.1, C.D.5.1, C.E.5.1 and C.E.6.1 of the Customer Questionnaire.

178 Non-confidential replies to questions C.A.5, C.B.5, C.C.5, C.D.5, C.E.5, and C.F.5 of the Customer Questionnaire.

179 https:e//www.postnl.nl/en/about-postnl/press-news/news/postnl-opens-up-parcel-lockers/

180 Replies of the Parties to a request for information ('RFI 1') from the Commission, submitted on 9 December 2024, question 5c., paragraph 23; see also a PostNL press release: https://www.postnl.nl/over-postnl/pers-nieuws/nieuws/postnl-pakketautomaat-nu-ook-opengesteld-voor-gls-netherlands/.

181 Replies of the Parties to a request for information ('RFI 1') from the Commission, submitted on 9 December 2024, question 5c., paragraph 23.

182 Replies of the Parties to a request for information ('RFI 4') from the Commission, submitted on 8 January 2024, question 2.

of the Dutch network each, as well as (v) several other smaller players with OOH network capabilities such as Budbee, Fedex, MyPup and Viatim.[183]

(115) *In the second place*, the Commission notes that the ACM has very recently considered the competitive dynamics in OOH delivery in the Netherlands and concluded that there are sufficient opportunities for competitors of PostNL to acquire 'service points' (i.e. PUDO and APM). In April 2024, the ACM rejected an enforcement request from GLS against PostNL in connection with an alleged abuse of dominance.[184] GLS' claims were based on the fact that PostNL has exclusivity agreements with its PUDOs.[185] The ACM found that PUDOs and APM are interchangeable from the point of view customers.[186] In addition, the ACM observed that the number of service points of competitors of PostNL in general, and GLS in particular, has grown in recent years.[187] Several parties including DHL, DPD and UPS experienced higher growth between 2018 and 2022 than PostNL and GLS did.[188]

(116) *In the third place*, regarding lockers specifically, the Commission notes that, until January 2024, no competitor of PostNL on the market for the provision of small package delivery services in the Netherlands had access to PostNL's locker network for the purpose of their OOH deliveries. Instead, competitors such as DHL, DPD, UPS, Budbee, or Mondial Relay either had their own (closed or open) locker network or cooperated with competitors or suppliers of locker space such as DeBuren for access.[189] With the opening of PostNL's network of parcel lockers to third parties, competitors of PostNL and GLS now potentially have access to a substantial number of additional lockers in the Netherlands. Furthermore, PostNL has made significant investments to be able to open its network to third parties,[190] and has made public statements evidencing its intention of seeking more third-party carriers (in addition to GLS) to cooperate with and to give access to its lockers.[191] It seems likely that PostNL would need its competitors to use its lockers to compensate for the investment costs and to ensure the profitability of its locker network.

(117) *In the fourth place*, the Commission is aware that some competitors of PostNL and GLS or suppliers of locker space recently expanded or announced an expansion of their locker network, either on their own or through various types of cooperation. In other words, competitors appear to be able to successfully expand their locker network. By way of example, in April 2022, PostNL and GLS' competitor Budbee, announced that, along with Albert Heijn, a large supermarket chain in the

183 Replies of the Parties to a request for information ('RFI 4') from the Commission, submitted on 8 January 2024, question 2.

184 https://www.acm.nl/nl/publicaties/afwijzing-handhavingsverzoek-gls (in Dutch only) (the 'Rejection Enforcement Request').

185 Rejection Enforcement Request, paragraph 1 and section 3.1.

186 Rejection Enforcement Request, footnote 47.

187 Rejection Enforcement Request, paragraph 2 and section 3.3.

188 Rejection Enforcement Request, paragraph 39 and Table 5; see also replies of the Parties to a request for information ('RFI 1') from the Commission, submitted on 9 December 2024, question 4, paragraph 14 and Table 1.

189 Replies of the Parties to a request for information ('RFI 1') from the Commission, submitted on 9 December 2024, question 4, paragraphs 15 and ff.

190 https://www.postnl.nl/over-postnl/pers-nieuws/nieuws/postnl-pakketautomaat-nu-ook-opengesteld-voor-gls-netherlands/

191 https://www.postnl.nl/over-postnl/pers-nieuws/nieuws/postnl-pakketautomaat-nu-ook-opengesteld-voor-gls-netherlands/

Netherlands and with presence in Belgium, and bol.com, a large online retail platform in the Netherlands, parcel lockers would be installed in 700 Albert Heijn stores across the Netherlands and Belgium.[192] Similarly, in July 2024 DHL announced the addition of DHL parcel lockers at nearly 200 terStal Familiemode stores across the Netherlands.[193] In October 2024, DHL further announced the installation of new DHL parcel machines on the parking lots of DIY stores Karwei and GAMMA in the Netherlands.[194] Finally, DeBuren, a supplier of locker space, reported recent roll outs of so-called 'package walls' and announced its intention to continue such roll-outs across the Netherlands.[195]

(118) On the basis of the above, the Commission concludes that the Transaction does not give rise to concerns in connection with entry and expansion in the affected markets, since (i) there are examples of past market entry in the affected markets, (ii) the market investigation indicates that PostNL and GLS' rivals would be able to expand to meet additional demand post-Transaction and (iii) PostNL and GLS' capabilities in out-of-home delivery are unlikely to hinder the entry or expansion of rivals in the small package delivery services market given the availability of alternative ways to serve customers out-of-home.

7.2.5. Views of market participants on the Transaction

(119) With the exception of the B2B segment, the majority of the customers that expressed an opinion in the market investigation either consider that the Transaction will not have a significant impact on competition in the affected markets or that the Transaction will have a significant positive impact.[196] The views of competitors, on the other hand, were mixed.[197]

(120) With regard to the B2B segment, the Commission acknowledges that the majority of the customers that expressed an opinion in response to question C.D.6 of the Customer Questionnaire indicated that the Transaction would have a significant negative impact (in terms of price and quality, etc.) on the domestic standard B2B segment of the small package delivery market in the Netherlands.[198] The question asked to the customers was to explain whether in their view the Transaction would have a significant impact on competition in the domestic standard B2B segment. The question was a multiple-choice question where customers could choose among the following answers: "Yes, a significant negative impact (high prices, lower quality, etc.)", "No", "Yes, a significant positive impact (lower prices, higher quality, etc.)" and "I don't know". In the following question, the customers were invited to explain their response and/or provide any comments they had in that respect. However, the Commission notes, **first,** that when considering all respondents to question C.D.6. of the Customer Questionnaire, this question showed the highest share of respondents indicating "*I don't know*" across all

192 https://budbee.com/wp-content/uploads/2022/10/albert-heijn-bol.com-en.pdf

193 https://www.dhl.com/nl-nl/home/pers/persarchief/2024/naar-tweehonderd-dhl-pakketautomaten-bij-terstal-familiemode.html

194 https://www.dhl.com/nl-nl/home/pers/persarchief/2024/dhl-pakketautomaat-bij-bouwmarkten-gamma-en-karwei.html

195 https://www.deburen.nl/2024/10/17/groot-aantal-nieuwe-pakketwanden-geplaatst-in-herfstperiode/

196 Non-confidential replies to questions C.A.6, C.B.6, C.C.6, C.D.6, C.E.6, and C.F.6 of the Customer Questionnaire.

197 Non-confidential minutes of calls with competitors, dated 22 October 2024, 7 November 2024, 15 November 2024, and 22 November 2024.

198 Non-confidential replies to question C.D.6 of the Customer Questionnaire.

questions of the Customer Questionnaire, that is 71%. Of the customers expressing an opinion, 75% (otherwise put, only 22% of all respondents) considered that the Transaction will result in a significant negative impact on competition and the rest (that is, 7% of all respondents) considered that it will result in a significant positive impact on competition. **Second**, the Commission notes that the concerns raised by the customers which responded negatively were not substantiated, inconsistent[199] and not supported either by the views of the majority of customers on the specific underlying concerns[200] or the findings of the Commission.[201] **Third,** the Commission also notes that the concerns arise with respect to the narrowest plausible market, that is of B2B. However, as explained in paragraph (67) above, there is evidence that the distinction between customer groups may be blurry, specifically with respect to supply side-distinction between B2B and B2C. Thus, post-Transaction the merged entity may be constrained in the B2B segment also by its B2C competitors.

(121) Based on the above considerations, and all evidence available to it, the Commission concludes that the Transaction does not raise serious doubts as to its compatibility with the internal market due to the horizontal overlaps between PostNL and GLS in the provision of small package delivery services in the Netherlands (and its affected domestic segments).

8. CONCLUSION

(122) For the above reasons, the European Commission has decided not to oppose the notified operation and to declare it compatible with the internal market and with the EEA Agreement. This decision is adopted in application of Article 6(1)(b) of the Merger Regulation and Article 57 of the EEA Agreement.

For the Commission

(Signed)
Teresa RIBERA
Executive Vice-President

199 The customers raising concerns in response to question C.D.6 were split in question C.D.1 whether switching is easy (majority said yes), in question C.D.2 whether the Parties are close competitors (half said yes, half said no), and in question C.D.4 whether there is sufficient competition in the market (half said no, half said yes). On the other hand, the majority of customers raising concerns in response to question C.D.6 thought that post-Transaction competitors will not be able to expand capacity to meet additional demand (question C.D.5).

200 The majority of customers having expressed an opinion considered in question C.D.1 that switching is easy, in response to question C.D.2 that the Parties are not close competitors and in question C.D.4 that there is sufficient competition in the market. Customers were split in the middle in question C.D.5 whether post-Transaction competitors will be able to expand capacity to meet additional demand.

201 The Commission found that post-Transaction customers will have the possibility to protect themselves by switching suppliers (paragraph (102) above *et seq*.); that the Parties are not particularly close competitors (paragraph (94) above *et seq*.), that post-Transaction sufficient competition will remain in the market (paragraph (93) above) and that entry and expansion of competitors will be possible post-Transaction (paragraph (118) above).

ANNEX 1

CASE M.11625 – EPCG / IDS

Market shares of the affected markets

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1. PROVIDED BY EPCG IN THE FORM CO

1.1. Overall small package delivery services market in the Netherlands

	2021		2022		2023	
	Value (€)	**Volume**	**Value (€)**	**Volume**	**Value (€)**	**Volume**
PostNL	[20-30]%	[30-40]%	[10-20]%	[20-30]%	[10-20]%	[20-30]%
GLS	[0-5]%	[0-5]%	[0-5]%	[5-10]%	[0-5]%	[5-10]%
Combined	**[20-30]%**	**[30-40]%**	**[20-30]%**	**[30-40]%**	**[20-30]%**	**[30-40]%**
Delta HHI	**[…]**	**[…]**	**[…]**	**[…]**	**[…]**	**[…]**
Delta mHHI	**[…]**	**[…]**	**[…]**	**[…]**	**[…]**	**[…]**
DHL	[30-40]%	[30-40]%	[30-40]%	[30-40]%	[30-40]%	[30-40]%
FedEx	[10-20]%	[5-10]%	[10-20]%	[5-10]%	[10-20]%	[5-10]%
UPS	[10-20]%	[5-10]%	[10-20]%	[5-10]%	[10-20]%	[5-10]%
DPD	[5-10]%	[5-10]%	[5-10]%	[5-10]%	[5-10]%	[5-10]%
Amazon	[0-5]%	[0-5]%	[0-5]%	[0-5]%	[0-5]%	[0-5]%
Instabee	[0-5]%	[0-5]%	[0-5]%	[0-5]%	[0-5]%	[0-5]%
Bpost	[0-5]%	[0-5]%	[0-5]%	[0-5]%	[0-5]%	[0-5]%
Mondial Relay	[0-5]%	[0-5]%	[0-5]%	[0-5]%	[0-5]%	[0-5]%
Homerr	[0-5]%	[0-5]%	[0-5]%	[0-5]%	[0-5]%	[0-5]%
Others	[0-5]%	[0-5]%	[0-5]%	[0-5]%	[0-5]%	[0-5]%
Total	**[90-100]%**	**[90-100]%**	**[90-100]%**	**[90-100]%**	**[90-100]%**	**[90-100]%**
Market size	**[…]**	**[…]**	**[…]**	**[…]**	**[…]**	**[…]**

1.2. Overall <u>domestic</u> small package delivery services market in the Netherlands

	2021		2022		2023	
	Value (€)	**Volume**	**Value (€)**	**Volume**	**Value (€)**	**Volume**
PostNL	[30-40]%	[40-50]%	[30-40]%	[30-40]%	[30-40]%	[30-40]%
GLS	[0-5]%	[0-5]%	[0-5]%	[5-10]%	[0-5]%	[5-10]%
Combined	[40-50]%	[40-50]%	[30-40]%	[40-50]%	[30-40]%	[40-50]%
Delta HHI	[…]	[…]	[…]	[…]	[…]	[…]
Delta mHHI	[…]	[…]	[…]	[…]	[…]	[…]
DHL	[30-40]%	[30-40]%	[30-40]%	[30-40]%	[30-40]%	[30-40]%
DPD	[5-10]%	[5-10]%	[5-10]%	[0-5]%	[5-10]%	[5-10]%
UPS	[5-10]%	[0-5]%	[5-10]%	[0-5]%	[5-10]%	[0-5]%
Amazon	[0-5]%	[0-5]%	[0-5]%	[0-5]%	[0-5]%	[5-10]%
FedEx	[0-5]%	[0-5]%	[0-5]%	[0-5]%	[0-5]%	[0-5]%
Bpost	[0-5]%	[0-5]%	[0-5]%	[0-5]%	[0-5]%	[0-5]%
Instabee	[0-5]%	[0-5]%	[0-5]%	[0-5]%	[0-5]%	[0-5]%
Mondial Relay	[0-5]%	[0-5]%	[0-5]%	[0-5]%	[0-5]%	[0-5]%
Homerr	[0-5]%	[0-5]%	[0-5]%	[0-5]%	[0-5]%	[0-5]%
Others	[5-10]%	[0-5]%	[5-10]%	[0-5]%	[5-10]%	[0-5]%
Total	**[90-100]%**	**[90-100]%**	**[90-100]%**	**[90-100]%**	**[90-100]%**	**[90-100]%**
Market size	**[…]**	**[…]**	**[…]**	**[…]**	**[…]**	**[…]**

1.3. <u>Domestic standard</u> small package delivery services market in the Netherlands

	2021		2022		2023	
	Value (€)	**Volume**	**Value (€)**	**Volume**	**Value (€)**	**Volume**
PostNL	[40-50]%	[40-50]%	[30-40]%	[30-40]%	[30-40]%	[30-40]%
GLS	[0-5]%	[0-5]%	[0-5]%	[5-10]%	[0-5]%	[5-10]%
Combined	[40-50]%	[40-50]%	[40-50]%	[40-50]%	[40-50]%	[40-50]%
Delta HHI	[…]	[…]	[…]	[…]	[…]	[…]
Delta mHHI	[…]	[…]	[…]	[…]	[…]	[…]
DHL	[30-40]%	[30-40]%	[30-40]%	[30-40]%	[30-40]%	[30-40]%
DPD	[5-10]%	[5-10]%	[5-10]%	[5-10]%	[5-10]%	[5-10]%
Amazon	[0-5]%	[0-5]%	[0-5]%	[0-5]%	[0-5]%	[5-10]%
UPS	[0-5]%	[0-5]%	[0-5]%	[0-5]%	[0-5]%	[0-5]%
Bpost	[0-5]%	[0-5]%	[0-5]%	[0-5]%	[0-5]%	[0-5]%
FedEx	[0-5]%	[0-5]%	[0-5]%	[0-5]%	[0-5]%	[0-5]%
Instabee	[0-5]%	[0-5]%	[0-5]%	[0-5]%	[0-5]%	[0-5]%
Mondial Relay	[0-5]%	[0-5]%	[0-5]%	[0-5]%	[0-5]%	[0-5]%
Homerr	[0-5]%	[0-5]%	[0-5]%	[0-5]%	[0-5]%	[0-5]%
Others	[0-5]%	[0-5]%	[5-10]%	[0-5]%	[5-10]%	[0-5]%
Total	**[90-100]%**	**[90-100]%**	**[90-100]%**	**[90-100]%**	**[90-100]%**	**[90-100]%**
Market size	**[…]**	**[…]**	**[…]**	**[…]**	**[…]**	**[…]**

1.4. Domestic standard B2B small package delivery services market in the Netherlands

	2021		2022		2023	
	Value (€)	**Volume**	**Value (€)**	**Volume**	**Value (€)**	**Volume**
PostNL	[40-50]%	[30-40]%	[30-40]%	[30-40]%	[30-40]%	[30-40]%
GLS	[5-10]%	[10-20]%	[5-10]%	[10-20]%	[5-10]%	[10-20]%
Combined	**[40-50]%**	**[40-50]%**	**[40-50]%**	**[40-50]%**	**[40-50]%**	**[40-50]%**
Delta HHI	**[…]**	**[…]**	**[…]**	**[…]**	**[…]**	**[…]**
Delta mHHI	**[…]**	**[…]**	**[…]**	**[…]**	**[…]**	**[…]**
DHL	[20-30]%	[20-30]%	[20-30]%	[20-30]%	[20-30]%	[20-30]%
DPD	[5-10]%	[5-10]%	[5-10]%	[5-10]%	[5-10]%	[5-10]%
UPS	[10-20]%	[10-20]%	[10-20]%	[10-20]%	[10-20]%	[10-20]%
Bpost	[0-5]%	[0-5]%	[0-5]%	[0-5]%	[0-5]%	[0-5]%
FedEx	[0-5]%	[0-5]%	[0-5]%	[0-5]%	[0-5]%	[0-5]%
Others	[5-10]%	[0-5]%	[5-10]%	[0-5]%	[5-10]%	[5-10]%
Total	**[90-100]%**	**[90-100]%**	**[90-100]%**	**[90-100]%**	**[90-100]%**	**[90-100]%**
Market size	**[…]**	**[…]**	**[…]**	**[…]**	**[…]**	**[…]**

1.5. <u>Domestic standard B2C</u> small package delivery services market in the Netherlands

	2021		2022		2023	
	Value (€)	**Volume**	**Value (€)**	**Volume**	**Value (€)**	**Volume**
PostNL	[40-50]%	[40-50]%	[30-40]%	[30-40]%	[30-40]%	[30-40]%
GLS	[0-5]%	[0-5]%	[0-5]%	[0-5]%	[0-5]%	[0-5]%
Combined	[40-50]%	[40-50]%	[40-50]%	[40-50]%	[30-40]%	[40-50]%
Delta HHI	[…]	[…]	[…]	[…]	[…]	[…]
Delta mHHI	[…]	[…]	[…]	[…]	[…]	[…]
DHL	[30-40]%	[30-40]%	[30-40]%	[30-40]%	[30-40]%	[30-40]%
Amazon	[0-5]%	[0-5]%	[5-10]%	[5-10]%	[5-10]%	[5-10]%
DPD	[5-10]%	[0-5]%	[5-10]%	[0-5]%	[5-10]%	[0-5]%
Instabee	[0-5]%	[0-5]%	[0-5]%	[0-5]%	[0-5]%	[0-5]%
Bpost	[0-5]%	[0-5]%	[0-5]%	[0-5]%	[0-5]%	[0-5]%
UPS	[0-5]%	[0-5]%	[0-5]%	[0-5]%	[0-5]%	[0-5]%
Mondial Relay	[0-5]%	[0-5]%	[0-5]%	[0-5]%	[0-5]%	[0-5]%
FedEx	[0-5]%	[0-5]%	[0-5]%	[0-5]%	[0-5]%	[0-5]%
Homerr	[0-5]%	[0-5]%	[0-5]%	[0-5]%	[0-5]%	[0-5]%
Others	[5-10]%	[0-5]%	[5-10]%	[0-5]%	[5-10]%	[0-5]%
Total	**[90-100]%**	**[90-100]%**	**[90-100]%**	**[90-100]%**	**[90-100]%**	**[90-100]%**
Market size	**[…]**	**[…]**	**[…]**	**[…]**	**[…]**	**[…]**

1.6. Domestic standard C2X small package delivery services market in the Netherlands

	2021		2022		2023	
	Value (€)	**Volume**	**Value (€)**	**Volume**	**Value (€)**	**Volume**
PostNL	[60-70]%	[50-60]%	[50-60]%	[50-60]%	[40-50]%	[40-50]%
GLS	[0-5]%	[0-5]%	[0-5]%	[0-5]%	[0-5]%	[0-5]%
Combined	**[60-70]%**	**[60-70]%**	**[50-60]%**	**[50-60]%**	**[40-50]%**	**[40-50]%**
Delta HHI	**[…]**	**[…]**	**[…]**	**[…]**	**[…]**	**[…]**
Delta mHHI	**[…]**	**[…]**	**[…]**	**[…]**	**[…]**	**[…]**
DHL	[10-20]%	[10-20]%	[10-20]%	[20-30]%	[20-30]%	[20-30]%
DPD	[5-10]%	[5-10]%	[5-10]%	[5-10]%	[5-10]%	[5-10]%
Homerr	[0-5]%	[0-5]%	[0-5]%	[0-5]%	[0-5]%	[0-5]%
Mondial Relay	[0-5]%	[0-5]%	[5-10]%	[5-10]%	[5-10]%	[5-10]%
UPS	[5-10]%	[5-10]%	[5-10]%	[5-10]%	[5-10]%	[5-10]%
Instabee	[0-5]%	[0-5]%	[0-5]%	[0-5]%	[0-5]%	[0-5]%
Bpost	[0-5]%	[0-5]%	[0-5]%	[0-5]%	[0-5]%	[0-5]%
Total	**[90-100]%**	**[90-100]%**	**[90-100]%**	**[90-100]%**	**[90-100]%**	**[90-100]%**
Market size	[…]	[…]	[…]	[…]	[…]	[…]

2. THE NETHERLANDS AUTHORITY FOR CONSUMERS AND MARKETS (ACM)

2.1. Overall domestic small package delivery services market in the Netherlands

	2021	2022	2023
	Volume	**Volume**	**Volume**
PostNL	50-55%	50-55%	50-55%
GLS	<5%	<5%	<5%
Combined	**50-60%**	**50-60%**	**50-60%**
DHL	30-35%	35-40%	35-40%
DPD	<5%	<5%	<5%
UPS	<5%	<5%	<5%
Remainder	5-15%	5-15%	5-15%
Total	**100%**	**100%**	**100%**

2.2. Domestic standard B2B small package delivery services market in the Netherlands

	2021	2022	2023
	Volume	**Volume**	**Volume**
PostNL	45-50%	45-50%	50-55%
GLS	5-10%	5-10%	5-10%
Combined	**50-60%**	**50-60%**	**55-65%**
DHL	25-30%	30-35%	30-35%
DPD	<5%	5-10%	<5%
UPS	<5%	5-10%	<5%
Remainder	5-15%	0-5%	5-15%
Total	**100%**	**100%**	**100%**

2.3. Domestic standard B2C small package delivery services market in the Netherlands

	2021	2022	2023
	Volume	**Volume**	**Volume**
PostNL	50-55%	50-55%	50-55%
GLS	<5%	<5%	<5%
Combined	**50-60%**	**50-60%**	**50-60%**
DHL	35-40%	35-40%	35-40%
DPD	<5%	<5%	<5%
UPS	<5%	<5%	<5%
Remainder	0-15%	0-15%	0-15%
Total	**100%**	**100%**	**100%**

2.4. Domestic standard C2X small package delivery services market in the Netherlands

	2021	2022	2023
	Volume	**Volume**	**Volume**
PostNL	70-75%	65-70%	60-65%
GLS	<5%	<5%	<5%
Combined	**70-80%**	**65-75%**	**60-70%**
DHL	15-20%	20-25%	25-30%
DPD	5-10%	5-10%	5-10%
UPS	<5%	<5%	<5%
Remainder	0-5%	0-5%	0-5%
Total	**100%**	**100%**	**100%**