Horizontal merger: Ryanair-Air Lingus

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Introduction

Relevant Laws

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Introduction

Facts

- ▶ In 2012, Ryanair submitted a proposal of takeover of Air Lingus
- ▶ In 2012, the European Commission has cleared the proposed merger

- ► Here, I am going to introduce the measurements of market concentration
- ► The aggregated market concentration measurement(HHI), where s is the market share of each firm:

$$\sum_{i=1}^{n} s_i^2$$

Horizontal merger: Ryanair-Air Lingus Lelevant Laws

Relevant Laws

Merger regulation

- Guidelines on the assessment of horizontal merger
- ► Turn over
- ▶ The substantial lessening of competition test

Ryanair's share of seat capacity S12 (Ranking in country)

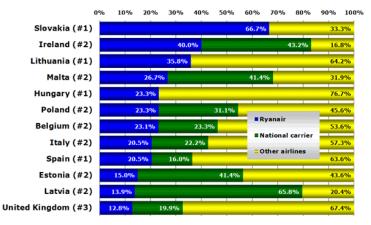


Figure 1:

Horizontal merger: Ryanair-Air Lingus Relevant Laws

► A figure from the web



Figure 2:

Horizontal merger: Ryanair-Air Lingus

Relevant Laws

Conclusion

- ▶ It is the natural result of a competitive market
- ▶ I hope you have enjoyed this presentation so far. Thank you!