

INFORMATION ACCESS ALLIANCE

American Association of Law Libraries | American Library Association | Association of College and Research Libraries | Association of Research Libraries | Medical Library Association | SPARC



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18 July 2003

Götz Drautz
Director, Merger Task Force
Directorate General of Competition
Commission of the European Communities
B-1049 Brussels
Belgium

Dear Commissioner Drautz:

As you know, Bertelsmann AG recently announced its intent to sell BertelsmannSpringer, a publisher of scientific, technical, and medical (STM) journals, to Cinven and Candover, a partnership of UK-based private equity firms. We are writing to you on behalf of the Information Access Alliance, a coalition of six leading library organizations in North America that serve institutions engaged in research, education, law, and health care. While we recognize that we represent libraries and institutions not within your jurisdiction, we are deeply concerned that this development in the global STM market will lead to a further reduction in access to critical research information worldwide. We urge the European Commission, as we have urged the U.S. Department of Justice, to challenge the proposed sale.

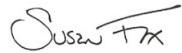
BertelsmannSpringer publishes approximately 700 STM journals. Kluwer Academic Publishers, which Cinven and Candover recently acquired and have indicated they intend to merge with BertelsmannSpringer, also publishes approximately 700 STM journals. The two companies combined would control approximately 20% of the STM market. Recent studies of STM publisher mergers in the last decade have shown that increasing consolidation in this market results in higher prices for consumers and harms competition.

Moreover, increased prices reduce access to research information, thus impeding the creation of new knowledge and slowing innovation. The fact that STM journal publications are transitioning from paper to electronic format does not diminish the negative impact of this merger or the level of our concerns.

We understand that our colleagues in Europe have already shared with you a white paper commissioned by the Information Access Alliance on the negative impact of mergers in the STM market. The Information Access Alliance urges the European Commission to adopt the more consumer-focused approach outlined in that paper in its analysis of this transaction.

Thank you for your consideration in this matter.

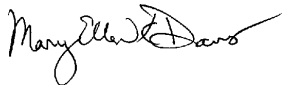
Sincerely,



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