

PRESS RELEASE

Brussels & Stockholm, 17th June 2019



SWEDEN: Competition Authority calls on government to regulate online rail ticket sales - to better serve consumers

Early last year, two new rail operators (MTR Express & Saga Rail) reported the Swedish rail incumbent SJ to the Swedish Competition Authority ('SCA') for not selling them on its dominant online rail ticket sales channels, distorting transparency for consumers.

This month, the SCA announced that **it agrees**: “**the dominant position of SJ in rail ticketing is detrimental to a functioning market**”¹.

The SCA notes that the discrimination that MTR and Saga reported upon are “part of a larger market problem” and believes that the real problem is SJ's dominant position in the commercial long distance operator market ***combined with*** the advantage that SJ enjoys as the well-known & dominant channel for rail ticket sales.

The Swedish Competition Authority recommends new regulation in order to ensure that other successful rail booking platforms can be established. If nothing changes, then there will be a **dual problem**:

- 1. The digital innovation that arises from competing digital booking platforms will never be realised.**
- 2. SJ's continued dominance of the online rail ticket sales market will deny new entrant operators the exposure that they need in order to survive.**

ALLRAIL Secretary General Nick Brooks states: “**this dual problem is common in most other EU countries too**. Incumbents benefit from historical brand equity; they remain the ‘Go To’ platforms for ticket sales and then shut out new entrant rail operators.”

For example: two years ago in Germany, a start-up rail operator (Locomore) ended services after just six months, identifying its lack of access to the rail incumbent DB's in-house sales channels as the major area where it “experienced closed doors”².

Like in Sweden, we call on legislators across Europe to now regulate the market so as to enable fair competition both on the rails ***and*** in rail ticket sales, for the benefit of consumers.

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¹ Page 10 of <http://www.konkurrensverket.se/globalassets/konkurrens/beslut/18-0230-och-18-0380-beslut.pdf>

² <https://www.allianz-pro-schiene.de/themen/aktuell/interview-derek-ladewig-locomore/>