

PRESS RELEASE

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GERMANY: Federal Cartel Office starts fresh proceedings against rail incumbent Deutsche Bahn (DB)

ALLRAIL, the Alliance of Passenger Rail New Entrants in Europe, welcomes the recent decision by the German Federal Cartel Office to launch an investigation into allegations about rail incumbent Deutsche Bahn AG's restrictive practices and policies relating to its co-operation (or lack of it) with independent 3rd party digital mobility platforms¹.

According to the President of the Federal Cartel Office, Andreas Mundt, DB is alleged to have imposed significant unfair and restrictive conditions on its sales partners such as the non-provision of real-time train running data, discounted tickets and prevention of certain online marketing activities. Further, Mr Mundt states that the Cartel Office is investigating whether such restrictions are unlawfully reducing the visibility and attractiveness of these mobility platforms for passengers.

ALLRAIL's Vice President Tony Berkeley says: "DB is the dominant player in Germany *both* on the tracks and in rail ticket sales. It clearly wants to maintain the Status Quo by mitigating the threat of competition through limiting the attractiveness of innovative, customer-centric mobility platforms. Rail will struggle to become more competitive with less sustainable modes of transport if its accessibility is restricted".

By imposing such conditions on its sales partners, DB is proactively limiting their ability to grow and even threatening their very existence. All of which will lead to reduced choice for consumers as well as making it more difficult for new railway operators to enter the market - they will suffer from not being able to sell their tickets through these innovative 3rd parties.

Coming hot on the heels of a critical report by the German Monopoly Commission², this latest action by the German Federal Cartel Office serves as a reminder that urgent action is required to address the current situation in German passenger rail:

- stakeholders should not let the incumbent continue to abuse its market dominant position through stifling market opening and denying passengers increased choice, quality & lower prices.

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https://www.bundeskartellamt.de/SharedDocs/Meldung/EN/Meldungen%20News%20Karussell/2019/28_11_2019_DB_Mobilit%C3%A4t.html;jsessionid=78C82035F037E081EDD1C18249A94842.1_cid362

² https://www.monopolkommission.de/images/PDF/SG/7sg_bahn_volltext.pdf