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Editor's Note

World Competition will end the year with an issue in which the *Microsoft* case is the predominant topic.

To start off our December 2004 journal, we begin with an important contribution by David Evans and J.A. Padilla on tying. Both authors have contributed before to our journal with high-calibre articles (see W.Comp 25(2), Evans, Padilla and Polo, *Tying in Platform Software: Reasons for a Rule-of-Reason Standard in European Competition Law*, December 2002 and W.Comp 26(2), Evans and Padilla, *Demand-side Efficiencies in Merger Control*, June 2003). On this occasion, Evans and Padilla comment on a previous contribution by Dolmans and Graf (see W. Comp. 27(2), Dolmans and Graf, *Analysis of Tying under Article 82: The European Commission's Microsoft Decision in Perpective*, June 2004). The authors express their views on the extension of tying law that the Commission seems to have adopted in the *Microsoft* Decision. World Competition welcomes the debate on this current topic.

In order to liven the debate up, we follow with a second contribution on the topic by Professor Pardolesi and Andrea Renda. Professor Padolesi and Andrea Renda scrutinise the Microsoft decision and conclude that the approach adopted by the European Commission is open to much critictism. The authors argue that the Commission adopted an unconvincing approach with regard to interoperability and that the Commission showed little attention to the economics of technological leveraging in dealing with the media player market. The authors suggest other possible solutions that might have been implemented by the Commission.

On the same front but from a different angle, we present a third contribution from Dr. Net Le. In his article, Dr. Le attemps to use the concept of switching costs as an additional argument to support the Commission Decision in the Microsoft case. Dr. Le attempts to show in his article that Microsoft caused detriment to consumers by bundling Media Player with the Windows desktop operating system and by creating incompatibility between Windows and rival server OSs.

We proceed with a comment on the recent merger between the two largest electricity companies in Denmark. The concentration between Elsam and NESA was recently approved by the Danish Competition Authority subject to remedies. Torben Pedersen, Carsten Smidt and Peder Kongsted Christiansen bring attention to some of the issues raised by the case. For example, the Danish Competition Authority applied a longer time horizon than is usual when appraissing the effects of the concentration.

In a different arena, Cyril Ritter sets out a complete framework for predatory pricing analysis based on the preponderance of the below-cost test over the analysis of recoupement. The author proposes a critical appraisal of the current approach to recoupement in the United States. He concludes by stating that European courts should not adopt recoupment as one of the constitutive elements of predatory pricing.

Ritter's article is of utmost interest while we await the judgment of the Court of First Instance in the *Wanadoo* case.

We conclude this issue with an interesting contribution from Tomás Serebrisky. The author takes us through the responses to a needs assessment questionnaire sent by the World Bank to forty-eight competition authorities. We are able to observe the significant heterogeinities that can be found amongst the competition agencies in transition and emerging countries in Africa, Asia, Europe and Latin America.

I wish you all a pleasant reading,

José Rivas
Editor
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