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Antitrust: Commission opens formal proceedings against Thomson Reuters concerning use of Reuters Instrument Codes

The European Commission has opened formal anti-trust proceedings against Thomson Reuters, a Canadian news and financial data company, concerning a potential infringement of the EC Treaty's rules on abuse of a dominant market position (Article 82). The Commission will investigate Thomson Reuters' practices in the area of real-time market datafeeds, and in particular whether customers or competitors are prevented from translating Reuters Instrument Codes (RICs) to alternative identification codes of other datafeed suppliers (so-called 'mapping') to the detriment of competition.

RICs are short, alphanumeric codes that identify securities and their trading locations. They are used to retrieve information from Thomson Reuters' real-time datafeeds, for example real-time information on stock prices at a certain exchange. A datafeed is a virtual pipeline of electronically distributed real-time market data, which feeds software applications developed by banks and financial institutions.

The Commission will in particular examine whether Thomson Reuters may prevent clients from mapping RICs to alternative identification codes of other datafeed suppliers. Without the possibility of such mapping, customers may potentially be "locked"-in to working with Thomson Reuters because replacing RICs by reconfiguring or by rewriting their software applications can be a long and costly procedure.

The opening of proceedings does not imply that the Commission has proof of an infringement. It signifies that the Commission will conduct an in-depth investigation of the case as a matter of priority.

The Commission has opened the investigation into Thomson Reuters' conduct on its own initiative

The company's rights of defence will be fully respected.

There is no strict deadline to complete inquiries into anticompetitive conduct. Their duration depends on a number of factors, including the complexity of each case, the extent to which the undertakings concerned co-operate with the Commission and the exercise of the rights of defence.

What is the legal base for the decision?

The legal base of this procedural step is Article 11(6) of Council Regulation No 1/2003 and article 2(1) of Commission Regulation No 773/2004.

Article 11(6) of Regulation No 1/2003 provides that the opening of proceedings by the Commission relieves the competition authorities of the Member States of their authority to apply the competition rules laid down in Articles 81 and 82 of the Treaty. Moreover, Article 16(1) of the same Regulation provides that national courts must avoid giving decisions which would conflict with a decision contemplated by the Commission in proceedings that it has initiated.

Article 2 of Regulation No 773/2004 provides that the Commission can initiate proceedings, with a view to adopting at a later stage a decision on the substance of the case according to Articles 7-10 of Regulation No 1/2003, at any point in time, but at the latest when issuing a statement of objections or a preliminary assessment notice in a settlement procedure. In the case at stake, the Commission has chosen to open proceedings before any such further steps.

The Commission may make public the initiation of proceedings in any appropriate way. Before doing so in this instance, it has informed the party concerned. The Competition Authorities of the Member States have also been informed.