

Mr. Mario Monti  
Member of European Commission  
200, rue de la Loi  
B-1049 Brussels

L-0301-099-EB

Brussels, 14 March 2001

Dear Sir,

**Re: Concentrations in the tour operator sector**

HOTREC represents the hotel, restaurant and café sector in Europe. It brings together 36 national associations from 20 European countries. There are more than 6 million persons working in the European Union hotel, restaurant and café sector, about 4.2% of the total number of persons employed in the European Union. It is estimated that there are around 1.5 million enterprises in the European hotel, restaurant and café sector. Most enterprises have been between 0 and 9 employees: this “size class” accounts for 95% of all enterprises in the sector. In fact, there are on average 4 persons employed per enterprise.

HOTREC is very concerned with the recent trend in horizontal concentrations between tour operators themselves. It is also worried by the general increase in vertical concentration operations in the tourism sector, whereby tour operators acquire hotels and transport companies, among other sub-sectors of tourism activities. HOTREC calls on the European Commission to carefully analyse proposed concentrations and more generally, all concentration operations between the main tourism operators at the horizontal or vertical level, which clearly could be detrimental to all enterprises in the tourism sub-sectors, in particular the accommodation sub-sector, represented by HOTREC. The impact on the hotel sector is unfortunately often dealt with very lightly in Commission decisions (e.g. the recent cases Preussag/Nouvelles Frontières and Preussag/Thomson).

Another concern is that of the delay to submit comments: 10 days following the publication of the prior notification of a concentration. This makes the submission of comments almost impossible. But maybe there are other ways to be informed; we would very much appreciate if you could give us some advice on that aspect.

Yours sincerely,

Marguerite Sequaris  
Secretary General of HOTREC