Antimonopoly regulation in IT: foreign experience and Russian practice

On 1 June 2018, there was a seminar concerning "Antimonopoly regulation in IT: foreign experience and Russian practice" held in the office of VEGAS LEX law firm with representatives of FAS Russia involved.

Dmitry Borodin, Senior associate of the Technology and Investment group of VEGAS LEX, spoke of peculiarities of antitrust regulation in digital technologies. Dmitry reviewed a network effect mechanism and assessed it in terms of requirements of antitrust laws. The lawyer specified key problems in antitrust regulation in digital markets and indicated factors, which influence competition in the sector.

The invited representatives of the antitrust authority, among which there were Alexey Kryukov, Deputy Head of Legal department of FAS Russia, and Anna Davydova, Deputy Head of Department for Regulation of Telecommunications and Information Technologies of FAS Russia – took part in the discussion as well. The experts spoke of antitrust enforcement in the IT sector based on case studies related to antitrust violations, and dwelt upon activities of FAS Russia aimed at governmental control over market concentration in the digital sector.

<u>Alexandra Vasyukhnova</u>, Head of Technology and Investment group of VEGAS LEX, continued the discussion. The expert reviewed in details the problems of abuse of dominance in IT giving examples from legal precedents and case law of the USA and the EU.

Svetlana Zherdina, Associate of the International projects group of VEGAS LEX, and Dmitry Artyushenko, Deputy Chief of Anti-cartel department of FAS Russia, spoke of anti-competitive agreements and coordination of economic activities in the IT sector.

Svetlana shared information on foreign experience of antitrust regulation in IT, interpretation of constraining conditions in license agreements, application of compulsory licensing, usage of pricing algorithms and governmental control over market concentration.

Dmitry Artyushenko commented on approaches of the antimonopoly authority to assessing application of pricing algorithms by economic entities when coordinating economic activities, including case studies as to antitrust violations. The expert also spoke of enforcement and compliance practices of FAS Russia aimed at detecting anti-competitive agreements, concluded and implemented using robots for taking part in auctions.

Ekaterina Trubinova, Associate of Commercial practice of VEGAS LEX, paid attention to concerns and problems, which the antimonopoly authority faced suppressing monopoly activities in the IT sector. Ekaterina revealed peculiarities analyzing the condition of competition in digital markets and pointed out disadvantages of the existing model of legal regulation of this matter. She also touched upon problems of imposition of administrative sanctions in the event of antitrust violation in IT.

For more information on VEGAS LEX's activity in antitrust regulation, please click here.

For more detailed information on services of the Technology and Investment Group of VEGAS LEX in IP and TMT, please click <u>here.</u>