



# Art 2 - single undertaking - dominant influence - linked undertaking

1. **Page title:** Please insert the full Article reference (e.g. "Art. 1(4) a)") and a short title (e.g. "Deggendorf principle")
2. **Table:** Fill in **only the green** fields. Please respect the instructions (they are essential to optimise search).
3. **Questions:** Please create 1 question page per question
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Article	Article 2
Key words	single undertaking; dominant influence; linked undertaking
Member State	LU
Question	<p><i>Is the following interpretation of "dominant influence" correct?</i></p> <p><i>If company A owns 50% of the capital/voting rights of company B, it does not have a majority to influence the commercial decisions in the board but a blocking minority as any decision must be taken at least at a simple majority. Hence company A can exercise a dominant influence over B and both companies must be considered as linked undertakings.</i></p>
Creation Date	2017.12.28
COMP Reply	<p>If a company owns 50% of the capital/voting rights of another company the two companies would be considered as "single undertaking" according to Article 2(2)(c) of the de minimis Regulation (which mirrors Article 3(3), 1<sup>st</sup> subpara.(c) of the SME definition in Annex I of the GBER) if indeed it has a blocking minority because any decision has to be taken by at least a simple majority (see also p. 34 of the User guide to the SME definition on veto rights conferring dominant influence). If the latter is not the case because of the particular features of the statutes of the company, in contrast, there might be no dominant influence.</p> <p><i>Disclaimer: This reply does not represent a formal and definite position of the European Commission but is only an informal guidance provided by the services of DG Competition to facilitate the application of the GBER. It is therefore not binding and cannot create legal certainty or legitimate expectations.</i></p>
COMP Reply date	2018.01.26
COMP Responsible	 <a href="#">COMPsupport ESTATE-AID-WIKI</a>

<sup>1</sup> AT, BE, BG, HR, CY, CZ, DE, DK, EE, EL, ES, FI, FR, HU, IE, IT, LT, LU, LV, MT, NL, PL, PT, RO, SK, SE, SI, UK.