



Ultimately, the most important comparison is inter-temporal - how is aggregate EU retail food concentration changing over time? Unfortunately, here, we are confined to just a comparison of our own estimates for 1993 and 1996. Nevertheless, even over this relatively short three year period, there appears to have been a significant increase in EU concentration. As shown in the table, there was an increase of 4.2% points in the share of the top 20 between 1993 and 1996. Moreover, the table and figure 1, which show the cumulative concentration curves for the two years, reveal that the increased share of matrix firms is almost entirely attributable to the top 20. Indeed, the next 30 firms actually suffered a joint loss of 0.4% points between the two years. This is due, presumably, in part to the rapid growth of the very largest firms, but also in part to the exit of some important medium-large firms, as described in the previous section.

7.4. Concentration within individual member states

Tables 7.4 to 7.6 turn the focus on to concentration within the individual member states. Table 7.4 confirms that the above increase in concentration at the EU level is mirrored by typically increasing concentration in the individual member state- by about 3% points on average between 1993 and 1996.

It also confirms important differences between member states. Broadly speaking, the ranking of member states is as described in the previous chapter. The highest 5 Firm concentration ratios are to be found in Finland and Sweden, and the lowest in the southern countries - Greece, Spain, Italy. The UK, France and Germany lie within the middle of the range. Perhaps most interestingly, there appear to have been significant increases in concentration in Portugal, Spain, Austria, Greece and the UK. Moreover, since these estimates refer to 1996, they will not reflect the effects of continued merger activity post-1996 in

Spain, Portugal and the Netherlands in particular. In those countries, concentration is probably now higher than shown in the table.

Table 7.4: Five Firm National Concentration Ratios (%)

	1996	1993
Austria	59	54
Belgium/Lux	62	60
Denmark	59	54
Finland	89	94
France	51	48
Germany	45	45
Greece	28	11
Ireland	64	62
Italy	12	11
Netherlands	50	52
Portugal	56	36
Spain	32	22
Sweden	78	79
UK	56	50

Table 7.5 Comparisons of C5 from different sources

	Our estimates 1996	LDA 1997	PBUK 1996	EH 1996	AIM 1992	HBS	OXIRM	Average of other estimates
Austria	58.6	79	67.9	72.9				73.3
Bel/Lux	61.6	57	56.9	77.4	53	60		60.9
Denmark	59.5		48			78		63.0
Finland	89.1	96	95.4	97.5				96.3
France	50.6	67.2	60.1		49	65		60.3
Germany	45.4	75.2	41.5	73.5	37			56.8
Greece	28.0		58.7					58.7
Ireland	64.2	50	50.4					50.2
Italy	11.8	30	35			21	58.5	36.1
Netherlands	50.4	79	76.7	71.7	59			71.6
Portugal	55.7	52	52.9				55	53.3
Spain	32.1	38	34.6		23		47.7	35.8
Sweden	77.9	87	70.5	93.5				83.7
UK	56.2	67	65.2		60	63		63.8
Average	52.9							61.7

Other Sources: LDA La Distribution alimentaire

AIM AIM

PBUK UK Pocketbook

EH European Handbook

OXIRM referred to in "Food Retailing in Southern European Countries", European Regional Review, 1998 (date of estimate not reported in source)

HBS Harvard Business School (date of estimate not reported in source)

As a reference point, Table 7.5 digresses briefly by comparing our estimates with those from previous