

POTENTIAL COMPETITION CONCERNS

Based on a review of the existing literature, we identify three potential competition concerns that could apply to GenAI



Limited access to resources such as data, computing power, hardware, and talent



Contractual agreements between large firms (mostly cloud providers) and new players may stifle the emergence of new competitors in various markets



Adopting business practices that leverage market power into new markets or exploit existing power



CURRENT MARKET DYNAMICS



The market is dynamic, with new players emerging and large venture capital investments supporting open solutions and innovation in computational efficiency



Efficiency-enhancing partnerships are more likely to raise concerns when a large tech company has: control, benefits from strict exclusivity, or access to strategic technology of the start-up



The integration of GenAI into existing products is still nascent, and the risk of leveraging is captured by the DMA (if captured) or Article 102