

Anti-Monopoly Regulation of Internet Enterprise Merger -Under the View of Rule of Law

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ABSTRACT. *The rapid development of Internet technology urges many emerging Internet enterprises to rush into the market for competition. In order to expand their own market advantages, Internet enterprises have taken the way of enterprise merger to become bigger and stronger, but it also brings the problem of anti-monopoly law regulation. The regulation of the anti-monopoly law on the realization of operator concentration in internet enterprises requires careful analysis of the general principle of operator concentration in China's current "anti-monopoly law" and combined with the development characteristics of Internet enterprises, focus on the impact of technology and Internet economy on related markets. At the same time, drawing on the experience of the United States and Europe in regulating the concentration of Internet business operators, this paper puts forward that when China regulates the concentration of Internet business operators in connection with the merger of Internet enterprises, it is necessary to improve the centralized reporting standards of business operators, set up a system of supervision and trustee, relax the centralized control of business operators and strictly constitute the centralized legal responsibility of business operators, in order to ensure that the Internet enterprise merger can truly implement the market concept of fair competition, under the framework of the rule of law to carefully and orderly protect and promote the interests of consumers and social public interests.*

KEYWORDS: *Internet enterprise; Enterprise Merger; Anti-monopoly Law; Concentration of operators*

1. Introduction

With the rapid development of new intelligent technologies such as big data, cloud computing and artificial intelligence, the Internet field has shown an explosive trend of enhancement. In this context, many emerging industries have targeted the Internet dividend gradually capture the market. Internet companies, often

characterized by informativeness, technicality and globality, are accelerating their deep integration with various fields of economy and society by virtue of their digital technology, become to promote China's consumption upgrade, economic and social transformation, improve the level of a strong driving force of the market economy.

China's Internet enterprises, from the beginning of its birth to growing up, have always maintained a dynamic business situation of innovation, accompanied by the emergence of new business forms and new models, and become an important engine to promote market competition and economic development. As the Internet industry matures and the inventory game becomes more and more intense, some enterprises have adopted M & A to expand their market share, which has led to more and more Unfair competition. Alibaba, for example, became the company's largest shareholder in 2013 with a roughly 28 percent stake in Autonavi at a market price of \$294 million. This is after Alibaba buys shares successively Sina Weibo, Baidu buys PPS after, less than one month inside domestic Internet Industry The 3rd big merger and acquisition case. Furthermore, Didi chuxing reached a strategic agreement with uber worldwide in 2016 to acquire all of Uber's assets in China, including brands, businesses and data.

As a bilateral platform, the cross-network externality, price non-neutrality and positive feedback make the enterprise value, competitive strength and the size of the buyers and sellers show obvious positive correlation. If Internet companies want to gain competitive advantage in this way, they should strive to achieve large-scale growth of users in a short period of time. In order to seize the market opportunity, the Internet enterprises often choose to win the market dividend by the way of merger^[1]. If the merged Internet enterprises do not put advanced technology into the relevant market as soon as possible, it will be difficult to maintain the advantage of technological innovation, which will also lead to the rapid loss of oligopoly, replaced by other operators. However, it is precisely because of the characteristics of market competition of Internet enterprise merger that the monopoly risk of operator concentration increases. In order to ensure the implementation effect of the anti-monopoly law in promoting market competition and protecting consumers' rights and interests, and to avoid the mechanical application of the anti-monopoly law in Internet enterprises, it is urgent to update the perspective and thinking of the regulation of the anti-monopoly law, in the view of rule of law, we should answer and solve the problem of concentration of operators caused by the merging of Internet enterprises.

2. The embodiment of operator concentration in internet enterprise

Merger becomes a favorable way for Internet enterprises to open up markets and gain a more favorable competitive position. In order to prevent enterprises from merging into monopoly enterprises, the anti-monopoly law of China has set up a chapter on "concentration of operators" , which stipulates the concept of concentration of operators, conditions of declaration and procedure, conditions of exemption, etc. . Concentration of business operators refers to the use of business means such as merger and acquisition of enterprises, acquisition of assets or shares,

signing of agreements, etc. by one business operator in order to gain control over the operations and decisions of the other business operator, thus can or may form the legal behavior which strengthens the related market concentration degree, seriously endangers the market effective competition order. For the purpose of establishing and maintaining effective competition in the market, "operator concentration" shall also cover other economic activities that have a direct or indirect effect on other enterprises, such that they can change the market structure, if two enterprises jointly establish a long-term joint venture with the function of a separate economic entity, that is, their joint subsidiaries. Because the creation of this subsidiary can change the structure of the market, which is considered M & A activity in both the Competition law and the EC Competition Act, as provided for in Section 3, paragraph 4, of the EC M & A regulations and Section 7 of the US Clayton Act.

The Internet Enterprise's operator concentrates includes the horizontal merger and the vertical merger two ways. Horizontal merger, also known as Horizontal Merger, refers to the production or sale of the same type of products, or provide the same business in direct competition between the merger of enterprises. Because horizontal mergers are usually mergers between direct competitors, which can rapidly expand the size of the merged enterprise to increase market share, the economies of scale are most obvious. At the same time, because horizontal merger can directly reduce the number of independent competitors in the market, to a large extent, it will result in a single market structure, which will affect the fair and open market competition environment; vertical merger, also known as vertical merger, it refers to the merger of Internet enterprises which are in different stages of the same industry but actually have a business relationship, it can also be a merger between the buyer and seller of an electronic product or a merger between an upstream Internet operator and a downstream Internet operator^[2]. The advantage of vertical merger is that it can reduce the external competitive pressure on sales and supply, thus saving the transaction cost and improving the production efficiency. However, vertical mergers involve a wide range of Internet enterprises, it is likely to take advantage of the merger side of the original market, promote the high concentration of the Internet market, not conducive to free competition in the Internet market. At present, horizontal and vertical mergers of Internet enterprises are more intense because of the rapid iteration of Internet technology and low barriers to market entry, among which vertical mergers are more prominent, Google's acquisition of Motorola Mobility, Google's merger with ITA, and others.

Notwithstanding that it is determined whether the merger of an Internet enterprise constitutes a concentration of business operators using the constitutive elements and basic principles set forth in the anti-monopoly law, because of the innovative and digital nature of the Internet enterprise, therefore, it is necessary to be more flexible to consider the concentration of Internet enterprise operators. First of all, the Internet business operators must consider the concentration of Internet enterprises in the revolutionary, technological change environment. This is because, as a new industry of technological innovation and technological competition, the formation of the monopoly position of Internet enterprises depends on technological innovation and technological competition, otherwise, the once dominant Internet

company could quickly lose its edge because of technological backwardness. Second, the strong efficiency of concentration must be taken into account^[3]. When Internet enterprises merge, they must evaluate the efficiency of the merger, otherwise the high investment will not be worth the loss. The analysis and determination of the centralized efficiency of Internet enterprise operators are inherently difficult. At the same time, it is necessary to weigh whether this kind of efficiency can offset the anti-competitive effect. Moreover, the incentive to focus on cost savings must be fully taken into account. Internet enterprises in the process of development and growth, will continue to enhance the investment of information, thus access to the general return on investment and information increase in the cumulative return. It is the repeated use of information, the expansion of the scale of information use and the increase of the number of information users that lead to the increasing trend of marginal revenue of Internet enterprises. It is precisely because of this law that Internet companies, in order to seek more profits, are more inclined to choose concentration to expand their scale, so this kind of use information to save cost motivation needs to be in cognizance Internet enterprise's operator is concentrated when consider adequately.

In order to effectively protect the legitimate merger rights and interests of Internet enterprises, according to the general regulation method of operator concentration in China's "anti-monopoly law" and the development characteristics of Internet enterprises, when determining that the merger of Internet Enterprises Constitutes Operator concentration, the following standards should be adhered to. First, it is necessary to determine whether Internet mergers are conducive to technological innovation^[4]. Internet enterprises are the fruits of innovation, but also rely on the development of innovation. The merger is beneficial to the Internet enterprise to rely on itself to become bigger and stronger, to promote the market innovation, and to enhance the international competitiveness of our Internet enterprise. At a time when the Internet economy has become an important engine of economic growth, enterprises with technological competition and technological innovation are needed to continuously enhance their competitiveness through mergers in order to promote the vigorous development of the market economy. Second, the need to determine whether Internet mergers will create barriers to market access. The merger of Internet enterprises does not of course bring the result of monopoly of production and operation mode, but also helps to stimulate the internal efficiency of enterprises and optimize the competition conditions. However, the merger of Internet enterprises, not only can lock up the old users, but also significantly more attractive to new users than other enterprises of the same type, so it is easy to create market barriers that prevent other enterprises of the same type from entering the relevant market. Finally, we need to determine whether the Internet merger is conducive to fully protect the interests of consumers^[5]. China's "anti-monopoly law" in the first part of the purpose of the legislation, clearly improve to "protect the interests of consumers and public interest. Once Internet companies become monopolies through mergers, they will quickly eliminate competition and seize the relevant markets, as a result, consumers have to pay more to obtain the same level of services or products. Therefore, in order to fully protect the interests of consumers and promote free and fair competition in the market, in

determining whether the merger of Internet enterprises constitutes the "concentration of operators" as referred to in the anti-monopoly law, it needs to be identified in strict accordance with the examination criteria of whether mergers are conducive to technological innovation, whether market entry barriers are in place and whether they are conducive to safeguarding consumer interests.

3. The anti-monopoly law regulation of the concentration of Internet enterprise operators in America and Europe and its enlightenment

Corporate mergers and acquisitions (M & A) in the United States began in the early 20th century, with a history of more than 100 years. At the same time, as the birthplace of Internet and the source of Internet economy, the United States has formed its own legislative idea and law enforcement mechanism in anti-monopoly regulation of Internet enterprises. As an important force of multi-polarization development and a powerful economic entity in the world, the EU itself has been seeking economic benefits through the development of Internet enterprises. In the rapid development of Internet enterprises, it is inevitable that enterprises will merge in order to pursue the phenomenon of larger-scale development. In order to promote free competition in the market, the European Union has adopted a legislative method which is different from the United States in the aspect of anti-monopoly regulation. Due to the rapid development of Internet enterprises in China in recent years, the analysis of the development law and characteristics of Internet enterprises in China is not yet complete. By studying the legislative regulations of the United States and Europe on the mode of concentration of business operators under the merger of Internet enterprises, we can get beneficial enlightenment on the legal construction of concentration of business operators in our country, it is helpful to promote our country's anti-monopoly law to adapt to the scientific and technological development and the market participation in the main renewal of the actual environment.

According to the Chicago School, the ultimate goal of antitrust is to meet the needs of consumers to the greatest extent possible, equating economic efficiency with consumer welfare. The basic principle of anti-trust is to improve the economic efficiency, to realize the optimal allocation of resources by promoting the production efficiency of enterprises, and finally to promote the interests of consumers. Based on the anti-trust principle of protecting consumers' rights and interests, the United States is more tolerant to the merger control of Internet enterprises^[6]. The legislators who have adopted this legislative concept believe that the competition of Internet enterprises is a kind of competition of technological innovation, and Internet enterprises often do not have a drastic impact on the Internet market economy, on the contrary, it is more advantageous to promote the normal competition of technological innovation among enterprises. So when the United States antitrust authorities on the Internet merger review, usually will not reject the merger application, more to take unconditional approval or conditional approval of the merger approach. Section 7 of the Clayton Act of the United States is a specific provision on business combination, "A merger should be prohibited if it substantially

reduces competition in the market or if it has the possibility of substantially reducing competition, " Yahoo said, the US Department of Justice took steps to block the merger on the grounds that it would substantially detract from competition or was intended to create a monopoly. For the regulation of Internet enterprises in China, it is necessary to learn from the flexibility of the Competition law rules and try to use economic theory to analyze the merger of Internet enterprises quantitatively. In addition, China's anti-monopoly law must also take into account the characteristics of the Internet industry's bilateral markets and the network attributes of Internet services, multiple factors, including market share, are fully taken into account in determining the market dominance of Internet services.

Unlike the Competition law, which is more focused on protecting consumers' interests, the ultimate goal of the EU's uniform antitrust protection is to promote competition. For EU scholars and legislators, anti-monopoly law is to establish and ensure an effective competition mechanism, its main task is to maintain market competitiveness^[7]. In their view, economic freedom is essential to national development, both as a means of achieving social goals and as a key to giving small and medium-sized enterprises equal opportunities to compete for social justice, so we need to implement anti-monopoly law to promote free competition. Whether the consumer's interests will be directly harmed by the monopoly behavior should not be taken as an important factor to measure the illegal monopoly behavior. At present, the latest regulation of Merger Control in the European Union is Regulation No. 139 / 2004 on centralized control among enterprises, or regulation No. 139 / 2004, promulgated by the Council of the European Union. In order to determine whether mergers are compatible with the Single Market, the commission must assess whether a concentration is a significant impediment to effective competition, in particular, a dominant market position is created or strengthened in the substantive part of the Single market or Single market. In the centralized review of Internet enterprises, the EU mainly adopts behaviorism as its regulatory approach. That is, only when the enterprise has a dominant position in the market to the market harmful behavior, the enterprise will be subject to anti-monopoly law regulation. Adopting behaviorism anti-monopoly review mode can fully guarantee the reasonable and proper operation of Internet enterprises, which is of great significance to anti-monopoly fine law enforcement. The European Union operator centralizes the confirmation way and the regulation path, enlightens our country to pay more attention to the technology development and the market practice organic coordination in the Internet Age, takes the positive measure to optimize the enterprise competition way, avoid setting up too many barriers to competition for Internet companies.

4. The application of centralized relief for Internet industry operators

Carefully analyzing the characteristics and laws of the development of Internet enterprises, taking into account the anti-monopoly regulatory approaches adopted by the United States and Europe towards the concentration of Internet enterprise operators, and regarding the operation of our country's laws, it is significant to apply anti-monopoly correctly. On this basis, the anti-monopoly law enforcement agency

can make the legal judgment whether to prohibit the merger or not according to the matter of the Internet enterprise merger^[8]. If a merger of an Internet enterprise is recognized by the anti-monopoly law enforcement agency as having the effect of hindering competition and constituting a monopoly act, the centralized party in the Internet enterprise may consider applying the centralized relief of the operator, this is also China's "anti-monopoly law" through a clear system to protect the legitimate rights and interests of enterprises.

The centralized relief of Internet enterprise operators shall follow the idea of judging based on facts, and seek the applicable relief methods in accordance with the law and economic principles according to the concrete facts of a specific case, there is a need to avoid the use of traditional operators in general and to give priority to remedies that are most beneficial to the protection of consumers' rights and interests. But we also need to recognize that there is considerable uncertainty as to whether well-designed designs can address the particular competitive concerns raised by specific merger transactions, the factors considered in relief are more than those of traditional enterprises, so the design and realization of centralized relief will be more difficult and complicated. If we want to meet this challenge properly, we need to master and understand the inner logic and deep connection between Internet enterprise and operator concentration in order to seek the best scheme of operator concentration relief in internet enterprise merger. At present, there are two types of concentrated relief for operators. One is structural relief, which creates an entirely new competitor by selling the physical assets of the operator to be concentrated or by requiring physical sale after the concentration^[9]. In general, structural remedies have the advantages of easier regulation, simpler remedies, and the ability to maintain competition. And the behavior relief is refers to the certain business behavior which limits the operator after the concentration in the specific situation. As a tool that can maintain the potential efficiency of concentration, behavioral remedies can properly avoid the damage caused by the competition. According to the situation of the US and EU anti-monopoly law enforcement agencies in vertical centralized remedy, the behavior remedy is easier to be used in the Internet business combination, and the effect is obvious.

The system design needs to pass the concrete implementation to be able to produce the anticipated effect. The implementation of operator concentration relief is of great significance to test whether the operator concentration system is well designed and just right. In the centralized relief implementation of Internet enterprise operators, the opening problem in the relief should be considered first. How to determine the price and condition of opening is an important problem in implementing opening relief. The most effective way to solve this important problem is to set the terms and prices of openness through competitive benchmarks. Whether it is determined on the basis of general price conditions and levels prior to concentration or on the basis of prices of products of other operators that are most similar to those provided by the enterprise after concentration, it is conducive to resolving the problem of openness in relief. Second, the technical aspects of relief need to be considered. With the rapid development of Internet technology and industrial transformation, innovation and technology have become the core

competitiveness of Internet enterprises, this also brings antitrust law enforcement agencies, judges and other non-technical personnel for the Internet products, services can not accurately determine the problem. Therefore, in the process of centralized examination and remedy of Internet enterprise merger, experts with enough scientific and technical knowledge are needed to participate in it and make auxiliary judgment. Finally, the issue of supervision in relief needs to be considered. It is very important for Internet enterprises to supervise the centralized relief of the operators according to law^[10]. Through cooperation with regulatory authorities, China's anti-monopoly law enforcement agencies can take a more impartial approach to law enforcement when considering centralized relief for Internet business operators, and can improve the efficiency and effectiveness of relief work, so as to effectively promote competition and protect the rights and interests of consumers.

As a general principle of the application of enterprise merger under the anti-monopoly law, the operator concentration relief should be applied to the emerging Internet industry. However, the focus of internet industry operators' centralized relief application, including analysis methods and applicable types, are different from traditional industries. If a concentration of internet industry operators is both highly efficient and has significant anti-competitive effects, then open remedies may be better than blocking concentration or unconditional approval. However, because of the difficulties inherent in the implementation of open remedies, they are rarely the best option in any case and their application should be limited to the time when their difficulties are minimized^[11]. Moreover, in the Internet industry, different countries, different stages of development, different market conditions, the operators of centralized relief is applicable to different. China can not copy foreign review decisions in the centralized anti-monopoly review of Internet industry operators, especially in cases involving transnational Internet industry operators, according to the basic principle and specific rules of centralized relief, the advanced practices of America and Europe, and the specific situation of China's Internet industry, we should make the review decision which is beneficial to the healthy and rapid development of China's Internet industry.

5. Perfection measures for Internet enterprises to apply operator concentration

China's "anti-monopoly law" has not been revised since it came into effect on August 1, 2008, until recently, the State Administration of Market Supervision and administration issued a draft amendment to the "Anti-monopoly Law" for comments on January 2, 2020, this indicates that China's current "anti-monopoly law" is about to be amended to meet the needs of social development. Over the past ten years, China's Internet enterprises from scratch, now in the market competition to maintain strong vitality, for the development of market economy is of great significance. Therefore, China's current "anti-monopoly law" needs to carefully consider the characteristics of the development of Internet enterprises, combined with the general principles of anti-monopoly law regulation, the development of non-compliance with the law of Internet enterprises to improve the regulation.

5.1 Refinement of the criteria for centralized declaration of Internet enterprise operators

At present, according to the State Council issued "on the concentration of operators to declare the standard", China's concentration of operators only based on the annual turnover of enterprises to calculate^[12]. The criterion for centralized declaration by operators is that the annual turnover of enterprises in the domestic market is more than RMB 2 billion yuan and that in the global market is more than RMB 10 billion yuan. But in the era of the Internet economy, the turnover of most Internet companies has far exceeded this standard. For example, Baidu's turnover exceeded 100 billion yuan in 2018, and Sina, the sixth-ranked "Top 100 Chinese Internet companies," Its 2018 turnover was 14.2 billion yuan. As a result, the threshold calculated by the current operator concentration standard is too low, and the only use of turnover to judge, can not reflect the competitive situation and concentration of the Internet market in an objective and comprehensive manner, need to be improved.

Therefore, in order to properly deal with the impact of the rapid development of Internet enterprises on the centralized declaration system, China's "anti-monopoly law" should be in line with the development of Internet enterprises declaration standards. In particular, it is necessary to strengthen the guidance of the basic control standards and to specify in the implementing regulations or guidelines the factors affecting market competition that should be taken into account by our anti-monopoly law enforcement agencies in determining whether or not they will seriously impede effective competition. At the same time, we should consider 15%-30% as the safe harbor standard to define the market share of our country to consider the market share and the control of the market^[13]. In addition, we should also consider whether the merger of Internet enterprises creates artificial barriers to other operators, whether to increase the sunk costs of other operators, whether the concentration of technological advantages become an obstacle to other operators to enter the market and other important factors.

5.2 The system of centralized supervision of the trustee by the operator shall be established

For the concentration of operators that may exclude or restrict competition, anti-monopoly law enforcement agencies tend to approve with restrictive conditions instead of direct refinement. In order to ensure that the additional restrictive conditions can be fully complied with and implemented, the United States and Europe have set up supervision trustee system on the level of anti-monopoly law regulation. The EU attaches great importance to the role of supervisory trustees, appointing supervisory trustees in cases where many operators have concentrated on conditional approval, while the United States takes the supervisory trustee's expertise when a divestiture is crucial, to appoint and oversee the trustee's institutional choices^[14]. At present, there is no large-scale appointment of supervision trustee to participate in the supervision of cases with concentrated

conditions, but MOFCOM also makes some regulations through the "Provisional Regulations on divestiture". Next, in order to ensure the implementation of conditional approval, it is necessary to set up the system of supervision trustee and set up the related standard system, so as to play the unique role of the supervisor. In particular, a higher selection standard should be adopted in the appointment of a supervisory trustee, that is, the supervisory trustee must have relevant knowledge centralized with the relevant operators such as law and accounting, and may not be attached with restrictive conditions of the operator concentration of enterprises have a direct interest. At the same time, it is necessary to clearly define the duties of the supervision trustee, so as to ensure that the supervision trustee can really play a supervisory role within the legal framework.

5.3 Relaxation of the operator's centralized control system

In order to expand their scale and improve their competitive ability, Internet enterprises usually adopt large-scale operation strategy. But Internet firms' scale operations are likely to come under intense competition scrutiny from antitrust enforcers. When the scale operation of Internet enterprises is recognized by the anti-monopoly law enforcement agency as having a substantial adverse effect on the relevant market and normal market competition, the anti-monopoly agency will inevitably make the determination of operator concentration. However, this has given rise to the critical period of Internet enterprises in the development of difficulties and problems. Therefore, facing the rapid development of Internet enterprises, considering the important contribution of Internet enterprises to the promotion of market economy, the centralized control system of operators should be appropriately relaxed. To be specific, firstly, the scope of the relevant market can be appropriately expanded, and the relevant market where Internet enterprises are located can be gradually expanded, so as to avoid the influence of time dimension and geographical latitude on the free competition of Internet enterprises. Secondly, it can enhance the effectiveness of enterprise bankruptcy defense and efficiency defense. As long as Internet companies can prove with sufficient and valid evidence that the concentration of such operators is conducive to promoting competition in the market, protecting consumers and the public interest, the anti-monopoly law enforcement agency should endorse the concentration, rather than over-controlling it^[15]. Finally, there could be increased selectivity in the way in which competition issues are addressed. Multi-ways to solve the concentration of business operators brought about by the competition, which for the General Prohibition of Internet Business Merger is more conducive to enterprise development and market competition. When the anti-monopoly law enforcement agency determines a merger case of an Internet enterprise with a concentration of business operators, the Internet enterprise may also take the initiative to propose restrictive conditions for flexibility in the centralized trading scheme, for example, share some of the key measures with competitors and ensure that the existing price is maintained.

5.4 Strictly centralized legal responsibility of Internet enterprise operators

Currently, China's "anti-monopoly law" on the composition of the operator concentration of the enterprise for a penalty of less than five hundred thousand. However, in the face of the situation that Internet enterprises exclude free competition through the concentration of business operators, a fine of only five hundred thousand yuan or less can not give full play to the negative evaluation that the legislator aims to conduct business operators' concentration behavior through punishment, and serve as a warning. This is because, at present the annual turnover of numerous Internet enterprises has already far exceeded the minimum standard of 2 billion yuan that needs to be declared centrally by operators in China. And for Internet companies with an annual turnover of more than \$10 billion, the consequences of expanding their businesses and seeking to merge with others will be even more detrimental to free competition in the market, but a fine of less than five hundred thousand yuan at this point would not have much of a binding effect. Therefore, the author suggests that in view of the tendency that business merges constitute concentration of business operators, referring to the punishment standard of the anti-monopoly law for the abuse of market dominant position by business operators, that is, to impose a fine of more than 1% and less than 10% of the annual sales of the enterprises that illegally carry out mergers. In this way, we can effectively investigate the concentrated responsibility of the operators in the Internet enterprise merger, strongly promote the market mechanism to play its role and build a more free and fair market environment.

6. Conclusion

The rapid development of Internet enterprises is of great significance to promote the level of science and technology innovation and deepen the allocation of market resources in China. But at the same time, because of their network, information, negative externalities and other characteristics, Internet enterprises have sought to merge this enterprise development strategy in the process of growing and strengthening themselves, this also brings the Internet enterprise operator concentration of anti-monopoly law regulation issues. This paper deeply analyzes the factors that should be considered in determining that the merger of Internet enterprises constitutes the concentration of business operators, that is to judge whether the Internet merger is conducive to scientific and technological innovation and progress, whether it will set up trade barriers for the relevant market, whether it is conducive to the protection of consumer interests. On the basis of full consideration of the above factors, and with proper reference to the centralized regulation of business operators in the United States and Europe on the merger of Internet enterprises, it will be beneficial for China to properly regulate the merger of Internet enterprises by anti-monopoly law, to promote the market free competition and the protection of consumer rights and interests of the organic balance. Finally, it carefully analyzes the insufficiency of the operator concentration system under the anti-monopoly law of our country, it also proposes to refine the reporting criteria for concentration of Internet business operators, to set up a system of centralized supervision of the trustee by business operators, to relax the system of centralized control by business operators, and to tighten the legal liabilities of concentration of

Internet business operators, etc. , in order to enable our anti-monopoly law to keep pace with the times, to really play an important role in promoting free competition in the market and protecting the rights and interests of consumers.

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