



DETERMINATION OF MERGER NOTIFICATION M/10/017 -

Metropolis/Medical Publications

Section 21 of the Competition Act 2002

Proposed acquisition by Metropolis International Group Limited of Medical Publications (Ireland) Limited

Dated 16 June 2010

Introduction

1. On 28 May 2010, in accordance with section 18 of the Competition Act 2002 (the "Act"), the Competition Authority (the "Authority") received a notification of a proposed transaction whereby Metropolis International Group Limited ("Metropolis") would acquire the entire issued share capital, and thus sole control, of Medical Publications (Ireland) Limited ("MPIL").
2. On 28 May 2010, the Authority forwarded a copy of the notification to the Minister and notified the undertakings involved in the proposed transaction that the Authority considered it to be a "media merger" within the meaning of section 23 of the Act.

The Undertakings Involved

The Acquirer

3. Metropolis, incorporated in England and Wales, is an international media group that specialises in the publication of, inter alia, newspaper, magazines and directories targeting mainly the United Kingdom ("U.K.") consumer, business and travel sectors. Metropolis is also active in the building, publication and hosting of websites¹, the organisation of awards, events² and reward and benefit programmes for consumers and corporate partners³ mainly in the United Kingdom.
4. Metropolis publishes approximately 21 publications and Table 1 in Appendix A provides an overview of the publications sold by Metropolis in the State. Metropolis sells a number of publications through certain newsagents in the State, namely:

¹ Its customers include [...].

² The awards and events organised by Metropolis relate to its own publications. Some of these events are the 'Motor Trader Awards', the 'Quality Food Awards' and the 'Retail Industry Awards' in the U.K. Outside of the U.K., Metropolis organises the 'Frontier Awards' in Cannes, France. Metropolis does not organise any awards or events in the State.

³ These programmes are tailored to each client and offer benefits and savings in various retailer, leisure, automotive, travel and financial sectors.

- *Countryman's Weekly* – weekly U.K. country sports newspaper. In 2009, [...] copies⁴ were sold in the State;
 - *Family History Monthly* – monthly U.K. magazine focusing on social history and genealogy. In 2009, [...] copies were sold in the State;
 - *Record Collector* – monthly U.K. music magazine of which [...] copies were sold in the State in 2009; and,
 - Kindred Spirit – bi-monthly U.K. mind, body and spirit magazine. In 2009, [...] copies were sold in the State.
5. In addition, Irish based customers can subscribe to all of the titles⁵ published by Metropolis and receive them by post.
6. For the financial year ending 31 December 2009, Metropolis generated a worldwide turnover of approximately €[...]⁶. For the same period, Metropolis generated a turnover of approximately €[...]⁷ in the State. Of this figure, approximately [>50]% was derived from the sale of its titles, and the remainder was generated from the sale of advertising and web products⁸ in the State.

The Target

7. MPIL is incorporated in England and Wales and publishes two titles:
- *Irish Medical Times* - weekly newspaper⁹ containing news, features, clinical articles, interviews and opinion. The *Irish Medical Times* also sells print display, classified and recruitment advertising, online display advertising and practice management seminars. For the year 2009, this title had a total average net circulation per issue of 7,199.¹⁰
 - *MIMS Ireland*¹¹ - monthly index designed as a medicinal prescribing guide. It contains drug monographs and print display advertising only.
8. The target audience of both titles is registered doctors practicing in the State. The titles are also read by pharmacists, pharmaceutical suppliers and other healthcare professionals. Both titles are available

⁴ These figures were supplied by the parties.

⁵ *Westminster Rescard* and *Westminster Staffcard* are only available to residents of Westminster City Council and to Westminster City Council staff respectively.

⁶ Converted from pound sterling to euro by the parties using the exchange rate €1=£0.8554.

⁷ *Supra*.

⁸ The title *Kindred Spirit* sells an amount of products through its website www.kindredspirit.co.uk.

⁹ ABC describes the *Irish Medical Times* as a business magazine however, the title is described as a newspaper in its editions and on its website: <http://www.imt.ie/>. ABC is responsible for developing industry standards and for reporting on the circulation of individual print media titles. For further information see <http://www.abcireland.ie> and <http://www.abc.org.uk/>.

¹⁰ ABC recorded statistics.

¹¹ Monthly Index of Medical Specialities Ireland.

free of charge to registered doctors practising in the State and to all others on a subscription basis. The titles are distributed by post.

9. For the year ending 31 December 2008, MPIL generated a turnover of €[...] all of which was generated in the State. Of this figure, approximately [>60]% was generated from print and online advertising, and the remainder was generated from organising the Irish Healthcare Awards¹² and subscriptions to its titles.

Third Party Submissions

10. No submissions were received.

Analysis

11. The parties submit that the relevant product markets concerning the proposed transaction are:
 - The publication and sale of print media, and
 - The sale of advertising in print media.
12. The Authority has, in previous decisions, drawn a distinction between the two inter-related markets for readers and advertisers in relation to the newspaper industry.¹³ Such an approach is consistent with decisions of the European Commission.¹⁴
13. Furthermore, the European Commission (the "Commission") has held that the written press can be divided into a number of distinct national or regional product markets based on, inter alia, the content of the publications involved and the identity of the target audiences.¹⁵
14. The Authority does not consider it necessary to define the relevant product and geographic market(s) with regard to the proposed transaction for the reasons set out below.

The publication of print media (Newspapers, magazines and periodicals)

15. Both Metropolis and MPIL are active in the State in the sale of print media. The target's titles, the *Irish Medical Times* and *MIMS Ireland* are aimed specifically at the healthcare sector, namely: registered doctors practicing in the State, pharmacists, pharmaceutical suppliers and other healthcare professionals. Metropolis is not active in the sale of print media specifically aimed at the healthcare sector in the State. For the sake of completeness, Metropolis sells only one title relating to

¹² MPIL is the event organiser and brand owner of the Irish Healthcare Awards which are held annually.

¹³ M/08/038 *Alpha Publications/The Herald* confirmed in M/09/013 *Metro/Herald AM*. This two sided approach to the market for the publication and sale of print media recognises that publications are mainly designed in a manner that satisfies the needs of the reader and the advertiser. Print media will seek to attract advertisers on the one side and readers on the other which form the advertiser's audience.

¹⁴ Case No. IV/M.1401 *Recoletos/Unedisa* and Case No. COMP/M.5051 *APW/GMG/Emap*.

¹⁵ *APW/GMG/Emap* at paragraph 12 including references to *Recoletos/Unedisa* and Case COMP/M.3420 – *GIMD/Socpresse*.

scientific news; *Laboratory News*. This title provides information, news and technical advice, which is aimed at those employed in the U.K. laboratory sector. In 2009, *Laboratory News* was neither sold nor did it generate any revenue in the State.

16. According to the above, if the relevant product market(s) is considered to be as wide as the sale of all print media any overlap in the titles of the parties in the State is of a *de minimus* nature.
17. However, if a narrower relevant product market definition is used, that being the sale of print media aimed at the healthcare sector, then as shown in Table 1 in Appendix A, there is no overlap between the parties' titles in the State.
18. In light of the above, the Authority considers that the proposed transaction does not raise competition concerns in relation to the sale of print media (newspapers, magazines and periodicals) in the State.

The sale of advertising

19. The Commission has held that similar to publishing markets, advertising markets may be divided according to the medium (newspaper, magazine, online, etc.), commonality of content and the target audience.¹⁶
20. As seen in Table 1 in Appendix A, and discussed in paragraph 15 above, the titles sold by Metropolis and MPIL target different audiences. Advertisers advertising in the *Irish Medical Times* and *MIMS Ireland* are, it is submitted, seeking to target the medical profession in the State. As none of Metropolis' titles target this specific audience there is no overlap in the sale of advertising in the titles of the parties.
21. For the above reasons, the Authority considers that the proposed transaction does not raise competition concerns in relation to sale of advertising in print or online media in the State.

The organisation of awards and events.

22. The Authority also considered that there is no overlap in relation to the organisation of awards and events. MPIL is the event organiser for and the brand owner of the Irish Healthcare Awards held annually in Ireland. Metropolis is active in the organisation of awards and events outside the State only.
23. In light of the above, the Authority considers that the proposed transaction does not raise competition concerns in relation to the organisation of awards and events in the State.

Ancillary Restraint

24. The proposed transaction imposes non-compete and non-solicitation obligations on Reed Business Information Limited, the seller, for the period of two years from the completion date of the proposed transaction. The Authority considers these restrictions to be directly

¹⁶ *AWP/GMG/Emap* at paragraph 22 including reference to *GIMD/Socpresse*.

related and necessary to the implementation of the proposed transaction.

Determination

The Competition Authority, in accordance with section 21(2)(a) of the Competition Act, 2002, has determined that, in its opinion, the result of the proposed acquisition whereby Metropolis International Group Limited would acquire sole control of Medical Publications (Ireland) Limited from Reed Business Information Limited will not be to substantially lessen competition in markets for goods or services in the State and accordingly, that the acquisition may be put into effect, subject to section 23(9)(a) of the Act.

For the Competition Authority

Dr. Stanley Wong

Member of the Competition Authority

Appendix A

Table 1: Titles published by the Acquirer and Target sold in the State in 2009.

Target's Titles	Acquirer's Titles	Title Content	Target Audience	Overlap
Irish Medical Times		News, features, clinical articles, interviews & opinions.	Registered doctors practicing in the State, pharmacists, pharmaceutical suppliers and other healthcare professionals.	No
MIMS Ireland		Medicinal prescribing guide	Registered doctors practicing in the State, pharmacists, pharmaceutical suppliers and other healthcare professionals.	No
	Record Collector	News, features, review, valuations & advice on rare and collectable records.	Collectors of contemporary music.	No
	Family History Monthly	Articles, news and reviews on family, social history and genealogy.	Local historians and those interested in genealogy.	No
	Countryman's Weekly	News & articles on country sports activities.	Those who participate or are spectators in country sports (hunting, fishing, shooting etc.)	No
	Kindred Spirit	News & articles on the mind, body and spirit.	Those interested in spiritual development, holistic health and wellbeing.	No
	Rare Record Price Guide	Published every two years it contains the price of rare & collectable records.	Collectors of rare and collectable records.	No

	Rare Book Price Guide	Valuations of all U.K. published first editions.	Collectors of rare books.	No
	Industrial Equipment Market	Buying and selling of new and used industrial products and equipment.	Those that buy industrial products and equipment.	No
	Trader	Stock buying guide for wholesalers, multiple retailers and market traders.	Wholesalers, multiple retailers and market traders.	No
	Building Products	Information on new products and innovation in building & architectural sector.	Those interested in building & architecture.	No
	Frontier Magazine	News on innovation and developments in travel retail.	Travel industry personnel.	No
	Duty Free News International	News covering the travel-retail industry.	Retailers and suppliers to the travel-retail industry.	No
	What Mortgage	Information on available mortgages in the market.	Consumers deciding on financial products.	No
	Mortgage Finance Gazette	Coverage of markets, trends, industry issues & company news.	Mortgage lending industry.	No
	Independent Retail News	News & features about independent retail business.	Independent retailers.	No
	Motor Trader	News, articles & reports on the automotive industry.	Those involved or interested in the automotive industry.	No
	The Pass	News, advice and information on the travel industry.	Group travel organisers.	No

Source: *The Competition Authority based on information provided by the parties, www.imt.ie and www.metropolis.co.uk*