



DETERMINATION OF MERGER NOTIFICATION M/12/022 -

Permira /Ancestry

Section 21 of the Competition Act 2002

Proposed acquisition by Permira Holdings Limited of Ancestry.com Inc.

Dated 4 December 2012

Introduction

1. On 15 November 2012, 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 Permira Holdings Limited ("Permira") would acquire sole control of Ancestry.com Inc. and its subsidiaries ("Ancestry.com").

The Undertakings Involved

Permira

2. Permira is a European private equity firm, founded in 1985, and operating out of Frankfurt, London, Milan and Paris. Its funds, raised from pension funds and other institutions, make long-term investments. Permira's global portfolio includes controlling interests in over 20 companies in various sectors including clothing and fashion, financial services, healthcare, chemicals, travel services and technology media and telecommunications.
3. For the year ended 31 December 2011, Permira's worldwide turnover¹ was approximately €[...] billion, of which approximately €[...] million was generated in the State.

Ancestry.com

4. Ancestry is a public company listed on the NASDAQ stock exchange. Ancestry.com's US headquarters is in Provo, Utah, US and its international headquarters is in Dublin. Ancestry is active in the US and globally in providing on-line family history information. This includes providing access to census, births deaths and marriages, wills and probate, and military and church records. Ancestry.com also provides family history desktop software and professional genealogy services.
5. Ancestry.com has over 2 million paying subscribers worldwide, including approximately [...] Irish subscribers. Ancestry.com does not, however, operate a distinct website for Irish subscribers.²

¹ Permira turnover is calculated as the sum of the turnover of Permira Fund portfolio companies. These companies have differing financial years and hence Permira's turnover figure is updated on an ongoing basis.

6. For the year ended 31 December 2011, Ancestry.com's worldwide turnover was approximately €287.1 million,³ of which approximately €[...] million was generated in the State.

Third Party Submissions

7. No submissions were received.

Proposed Transaction

8. The proposed transaction would be put into effect pursuant to an agreement by and among Global Generations International Inc. ("GGI"), which is ultimately owned and controlled by Permira, GGI's wholly owned subsidiary Global Generations Merger Sub Inc. ("GG Merger Sub"),⁴ and Ancestry.com. In essence, GG Merger Sub would be merged with and into Ancestry, and Ancestry would become a wholly owned subsidiary of GGI.⁵

Rationale for Transaction

9. The parties state that:

"The Proposed Transaction is in accordance with Permira's business model, namely, making private equity investments in companies active in a wide variety of sectors that have potential for growth and development", and

*"Being owned by private equity and having a much smaller base of owners puts [Ancestry] in a better position to achieve long-term growth. The existing stockholders ... will realise a return on their investments."*⁶

Analysis

10. Within the island of Ireland, there is no overlap in the activities of Permira and Ancestry.com. Neither Permira nor Ancestry.com is involved in the other's area of activity within the island of Ireland.
11. Further, the parties submit that there are alternative online providers of family history information⁷ accessible through internet search engines. Other options also exist to access family history information including religious institutions, public record keeping institutions, and libraries.

² For further information on Ancestry.com see <<http://www.ancestry.com>>. For further information on Ancestry.com in relation to Ireland see <<http://www.ancestry.co.uk/cs/uk/ireland>>.

³ Calculated using the average annual ECB exchange rate for 2011 of €1 = \$US1.392.

⁴ Global Generations International Inc. and its wholly owned subsidiary Global Generations Merger Sub Inc. are special purpose vehicles established solely for the purposes of the proposed transaction. They are wholly owned by two Luxembourg entities, namely Anvilux 1 S.à.r.l. and Anvilux 2 S.à.r.l., both of which are Luxembourg private limited companies controlled by Permira IV Fund, which itself is controlled by Permira Holdings Limited.

⁵ Subsequent to the proposed transaction other investors in Global Generations International Inc. would acquire a minority interest in Ancestry, [...].

⁶ Notification Form page 5.

⁷ See, for example, <www.rightsolid.com> and <www.heritage.com> amongst others.

12. The absence of any overlap in the activities of the parties on the island of Ireland, the low level of Ancestry.com turnover in the State, and the presence of alternative providers of family history information all indicate that the proposed transaction will not give rise to competition concerns in the State.
13. In light of the above, the Authority concludes that the proposed transaction will not raise competition concerns in any market for goods or services in the State.

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 transaction whereby Permira Holdings Limited will acquire sole control of Ancestry.com Inc. and its subsidiaries will not be to substantially lessen competition in any market for goods or services in the State and, accordingly, the acquisition may be put into effect.

For the Competition Authority

Stephen Calkins
Member of the Competition Authority
Director, Mergers Division