



DETERMINATION OF MERGER NOTIFICATION M/07/016 – GS CAPITAL PARTNERS/ALLIANCE ATLANTIS

Section 21 of the Competition Act 2002

Proposed acquisition of Certain Assets of Alliance Atlantis Communications Inc. by GS Capital Partners VI, L.P.

Dated 24/04/07

Introduction

1. On 3 April 2007 the Competition Authority (“the Authority”), in accordance with Section 18(1)(a) of the Competition Act, 2002 (“the Act”) was notified, on a mandatory basis, of a proposal whereby the GS Capital Partners VI, L.P. (“GS Capital Partners”) would acquire certain assets of Alliance Atlantis Communications Inc., (“Alliance Atlantis”). The Assets to be acquired comprise of: (i) the right to co-produce the following three police television series: *CSI: Crime Scene Investigation*; *CSI: Miami*; and *CSI: NY* (the “CSI Franchise”) in partnership with CBS Productions (including a right to receive the benefit of the worldwide revenues from the series); and (ii) the right to exploit distribution and merchandising (excluding in the US) of the CSI Franchise.

The Proposed Transaction

2. The proposed transaction is part of a larger transaction concerning the acquisition of the entire issued and outstanding share capital of Alliance Atlantis by Canadian based CanWest Global Communications Corporation and a subsequent reorganisation and split-up of the Alliance Atlantis business.

The Undertakings Involved

The Acquirer

3. GS Capital Partners, the acquirer, is a newly created fund which is part of the Goldman Sachs Group, Inc., (“Goldman Sachs”). Goldman Sachs provides a wide range of banking, securities and investment services worldwide to a substantial and diversified client base that includes corporations, financial institutions, governments and high net-worth individuals. Goldman Sachs’ activities are generally divided into three segments: (i) investment banking; (ii) trading; and (iii) asset management and securities services. GS Capital Partners provide, on a global basis, private equity and investments in a broad range of sectors, including in the entertainment/media sector.

The Target

4. The Assets comprise the right to co-produce and to distribute (including without limitation, on television and/or by DVD, digital media and mobile phones) the CSI Franchise throughout the world (excluding in the US), along with the related merchandising rights (also excluding in the US). These rights are licensed to broadcasters and distributors and other users such as digital media and mobile phone companies.

Analysis

5. There is no competitive overlap between the activities of the undertakings involved in the State. Therefore, the Authority considers that the proposed transaction does not raise competition concerns in the State.

Ancillary Restraints

6. The Authority also reviewed restrictive arrangements agreed by the undertakings involved in the share purchase agreement. As the transaction does not raise competition concerns in the State, the Authority does not consider it necessary to express a view concerning these arrangements.

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 of certain assets of Alliance Atlantis Communications Inc. by GS Capital Partners VI, L.P., will not be to substantially lessen competition in markets for goods and services in the State and, accordingly, that the acquisition may be put into effect.

For the Competition Authority

Dr. Paul K. Gorecki
Member of the Competition Authority