



Determination No. M/04/079 of the Competition Authority, 14th January 2005, under Section 21 of the Competition Act, 2002.

Notification No. M/04/079- AIG/Setanta

Introduction

1. On the 23rd of December 2004 the Competition Authority, in accordance with Section 18 (1) of the Competition Act, 2002 ("the Act") was notified, on a mandatory basis, of a proposal whereby AIG Global Sports and Entertainment Fund, L.P ("AIG Fund"), would acquire shares in Setanta Sports Holdings Limited ("SSH").

The Parties

2. Setanta group ("Setanta") intends to reorganise the groups' ownership structure, subsequent to the date of this notification but prior to closing, whereby SSH will be imposed as the ultimate parent company of Setanta. The Setanta currently has four holding companies, Setanta Sport Limited, Setanta Media Holdings Limited, Setanta Sport (PPV) Limited and Setanta Freesports Limited.
3. It is proposed that on completion of the transaction, AIG Fund will acquire [less than 50%] of SSH affording it certain rights, [...]. Thus, the issuance of shares to the AIG Fund brings about a change in the control of Setanta.
4. The main business of the Setanta is the broadcasting of televised sporting events including GAA, soccer, rugby, wrestling and boxing to business and residential customers. Sporting events are transmitted in the State, the UK and the US to commercial venues using a proprietary satellite network. In addition to broadcasting over the satellite network, Setanta has recently entered the direct-to-home broadcast market and now operates a sports channel over the Sky Digital, NTL and Chorus platforms in both the State and the UK.
5. The AIG Fund is a Cayman Islands exempted limited partnership sponsored by the AIG group through its wholly owned subsidiary, AIG Capital Partners, Inc. ("AIGPC"). The AIG group is an insurance and financial services organisation, with operations in more than 130 countries and jurisdictions.

Analysis

6. Of the companies in its investment portfolio, the AIG Fund has direct or indirect control over two companies, neither of which



carries on business on the Island of Ireland. Furthermore, within the wider AIG group, no AIG company operating or domiciled in the State competes with the business of Setanta.

8. The business activities of Setanta and the existing interests held or controlled by the AIG Fund or the wider AIG group do not overlap in the State. The absence of overlap in the parties' activities indicates that the proposed acquisition would not substantially lessen competition in any market for goods or services in the State.

Determination

The Competition Authority, in accordance with Section 21(2) of the Competition Act, 2002, has determined that, in its opinion, the result of the proposed acquisition 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

Edward Henneberry
Member of the Competition Authority

14 January 2005