



**Determination No. M/05/005 of the Competition Authority, dated 9<sup>th</sup> March 2005, under Section 21 of the Competition Act, 2002**

**Notification No. M/05/005 – Acquisition by Radio Two Thousand Limited of sole control of Maypril Limited (t/a Spin 103.8)**

**Introduction**

1. On 9<sup>th</sup> February 2005 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 Radio Two Thousand Limited (“Radio 2000”) would acquire sole control of Maypril Limited (“Spin 103.8”).

**The Parties**

2. Radio 2000 is ultimately controlled by Communicorp Group Limited (“Communicorp”). Radio 2000 operates a radio broadcasting service and is licensed by the Broadcasting Commission of Ireland (“BCI”) to provide an adult contemporary music mix in Dublin city and county. It trades as 98 FM. Radio 2000 also controls News106 Limited (t/a NewsTalk 106), which is licensed by the BCI to provide “talk based programming with news, sport & traffic, every 20 minutes” to a target audience of 25-44.<sup>1</sup>
3. Spin 103.8 is licensed to provide “hot urban contemporary” music services in Dublin city and county to a demographic audience of 15-34 year olds. Spin 103.8 is currently jointly controlled by Radio 2000 and Mr. Michael Sherry. The proposed acquisition thus involves a move from joint control to sole control.

**Analysis**

4. The product market concerned is the market for radio advertising sales.<sup>2</sup> The geographic market concerned is Dublin city and county, which is the region where Spin 103.8, 98FM and NewsTalk are licensed to broadcast. Currently there are six local radio stations licensed to broadcast in Dublin city and county: in addition to 98 FM, Spin 103.8 and NewsTalk 106 there are FM 104, Lite FM and Country FM. There are also national stations broadcasting in Dublin city and county: the three RTE stations (Radio 1, 2 FM and Lyric) and Today FM.

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<sup>1</sup> See further Authority Determination M/04/003 *Radio 2000/NewsTalk*.

<sup>2</sup> See further M/03/033 *SRH/FM104*, M/04/003 *Radio 2000/NewsTalk* and M/04/078 *UTV/Coderidge*



5. Communicorp stations will together hold a combined share of 28% of all listenership in the 20-44 year old category in Dublin city and county, including listenership of national radio stations.<sup>3</sup> On the other hand the acquisition will allow Communicorp to control half of the local radio stations broadcasting in Dublin city and county, which will result in approximately 50% of local advertising revenue being attributable to it. However this will not give rise to a substantial lessening of competition for the following reasons: Firstly, as is evident from listenership information and from revenue data supplied by the notifying parties, Spin 103.8 is presently a marginal player in the radio advertising market in Dublin, which is dominated by FM 104 and 98 FM. Secondly, whilst Spin 103.8 is in a similar genre to 98 FM - both having a popular music format - it is not 98 FM's closet competitor, which remains FM 104. Communicorp's other station – NewsTalk 106 – with its news based format is very different in style from 98 FM and Spin 103.8, and is thus complementary to, as opposed to competing with these. Thirdly the existing market of six local stations will soon be increased to seven when Phantom FM, which has recently been awarded a license for a rock music based format, commences broadcasting. Finally, enquiries have shown that customers do not raise concerns.

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<sup>3</sup> This is derived from JNLR/TNS mrbi – 2004, Minutes Listened, 7 am to 7 pm, age category 20-44.



**The Competition Authority**  
An tÚdarás Iomaíochta

### **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 of sole control by Radio Two Thousand Limited of Maypril Limited 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**