



Determinations No. M/05/029 and M/05/030 of the Competition Authority, dated 8th July 2005, under Section 21 of the Competition Act, 2002

Notification No. M/05/029 – Proposed acquisition by Setanta Media Holdings Limited of NASN Limited

Notification No. M/05/030 – Proposed acquisition by Benchmark Europe II, L.P. of approximately 48.25% of NASN Limited from Setanta Media Holdings Limited

Introduction

1. On 9th June 2005 the Competition Authority (“the Authority”), in accordance with Section 18 (1) of the Competition Act, 2002 (“the Act”) was notified, on a mandatory basis, of a proposal whereby Setanta Media Holdings Limited (“Setanta”) would acquire approximately 75 per cent of the issued share capital of NASN Limited (“NASN”). On the same day, the Authority was notified of the related transaction, whereby it is proposed that Benchmark Europe II, L.P., would acquire approximately 48.25% of NASN Limited from Setanta. It is intended that the second transaction will be completed on the same day as completion of the first transaction. The Authority advised the Minister and the parties that it considers the transactions to be media mergers.

The undertakings involved (M/05/029)

2. Setanta is a company registered in Ireland which has a number of media interests. The main business of the Setanta group companies is the broadcasting of televised sporting events, including GAA, soccer, rugby, wrestling and boxing to business and residential customers. Sporting events are transmitted in Ireland, the UK and the US to commercial venues using a proprietary satellite network. It also operates sports channels over a number of platforms such as Sky digital, NTL and Chorus. In conjunction with Celtic Football Club and Rangers Football Club, it produces and operates two club TV channels. Currently, Setanta is in joint control of NASN with Vulcan European Media Holdings, Inc. (“Vulcan”).
3. NASN is a company registered in Ireland which produces and operates a specialist television channel dedicated to North American sports, which is targeted at North American ex-pats and European based fans of American sports. The vendor, Vulcan, is the European investment arm of Vulcan Inc., a global private investment and real estate group. NASN is broadcast in the UK and Ireland over the Sky, NTL and Telewest (UK only) platforms. It is available to Sky digital subscribers via direct subscription to NASN and to NTL digital subscribers for an additional subscription payment to NTL. Following the



proposed acquisition, NASN would be solely controlled by Setanta. NASN's sales to Irish customers in the most recent financial year was €[less than 1]m.

The undertakings involved (M/05/030)

4. Benchmark Europe II L.P. is a Delaware limited partnership and a venture capital fund. It is managed by Benchmark Management (UK) LLP ("BMUK"). Benchmark Europe II L.P. itself has no interests in any companies in Ireland or Northern Ireland []. Benchmark Europe I L.P., the other fund managed by BMUK, holds a controlling interest in the Irish registered company Alphyra Limited, which provides electronic communications services.
5. Setanta's activities are described in paragraph 2 above.

Analysis

6. The activities of Setanta and NASN overlap in the area of televised sporting events broadcasting. NASN operates in a niche area of specifically North American sports such as ice hockey, baseball, American football and basketball. Apart from its interest in NASN, no other Setanta group company holds rights to any such sports. Thus the move from joint to sole control in this instance does not give rise to competition concerns.
7. The second transaction, involving the acquisition by Benchmark Europe II L.P. of joint control of NASN does not give rise to competition concerns since none of the Benchmark Group's interests in Ireland relate to broadcasting or rights to broadcasting events. The overall combined effect of the two transactions will be that control of NASN will be transferred from Setanta Media and Vulcan to Setanta Media and Benchmark Europe II L.P.



The Competition Authority
An tÚdarás Iomaíochta

Determination M/05/029

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 by Setanta Media Holdings Limited of NASN 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.

Determination M/05/030

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 by Benchmark Europe II L.P. of joint control of NASN 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