



DETERMINATION OF MERGER NOTIFICATION M/05/083 – Trinity Mirror/ Paldonsay

Section 21 of the Competition Act 2002

Proposed acquisition by Trinity Mirror Digital Limited of Paldonsay Limited

Dated 11/01/06

Introduction

1. On 23 December 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 Trinity Mirror Digital Limited (“Trinity Mirror”) would acquire the entire issued share capital of Paldonsay Limited (“Paldonsay”).
2. The Authority advised the parties and the Minister that it considered the transaction to be a “media merger”, within the meaning of Section 23 of the Act.

The Undertakings

3. Trinity Mirror, the acquirer, is a wholly-owned subsidiary of Trinity Mirror plc. Trinity mirror plc is a newspaper publishing group and the largest publisher of regional and local titles in the United Kingdom. Trinity Mirror plc also publishes several national United Kingdom and Scottish daily newspapers and Sunday titles, including The Mirror and The Sunday Mirror but does not publish an Irish daily or Sunday titles. Several of Trinity Mirror plc’s national titles are distributed in the State, including Irish editions of those national (United Kingdom and Scottish) titles.
4. Trinity Mirror plc is a public company listed on the London Stock Exchange. For the financial year ended 02 January 2005, Trinity Mirror plc had a consolidated world-wide turnover of less than €2 billion. Of this turnover, the Mirror Group Newspapers, which is a wholly-owned subsidiary of Trinity Mirror plc, had a turnover in the State of Stg£14,445,000 (approximately €21,001,640) and from its Scottish titles distributed in the State, Trinity Mirror plc achieved sales of less than €500,000.
5. Paldonsay, the target, is a United Kingdom-based company operating website advertising online recruitment services.

Paldonsay's websites are targeted at online readership in the United Kingdom and it has no presence in the State or in Northern Ireland. For the financial year ended 30 April 2005, Paldonsay had a world-wide turnover of less than one million euro with no sales in the State.

The Transaction

6. The Transaction involves the acquisition of the entire issued share capital of the whole of Paldonsay by Trinity Mirror.
7. The rationale for the transaction is to enable Trinity Mirror to improve its on-line offering to advertisers in relation to recruitment. The transaction will also facilitate Trinity Mirror's diversification in new media in addition to traditional print media, Trinity Mirror's core business.

Analysis

8. There is no horizontal or vertical overlap in the activities of Trinity Mirror and or Trinity Mirror plc with those activities of Paldonsay, in the State. Paldonsay is active in the provision of website advertising online recruitment services, focused on the United Kingdom and not the State while Trinity Mirror and Trinity Mirror plc is primarily a newspaper publisher, based in the United Kingdom, not operating in or providing website advertising online recruitment services in or for the State.
9. The Authority has concluded therefore, that the proposed transaction does not give rise to competition concerns.

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 by Trinity Mirror Digital Limited of Paldonsay 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 subject to the provisions of Section 23(9) of the Act.

For the Competition Authority

Edward P. Henneberry
Member of the Competition Authority