



DETERMINATION OF MERGER NOTIFICATION M/21/066 – BOYLESports/TULLY BOOKMAKERS

Section 21 of the Competition Act 2002

Proposed acquisition by BoyleSports 2 Unlimited Company of sole control of Tully Bookmakers Management Limited

Dated 22 December 2021

Introduction

1. On 22 November 2021, in accordance with section 18(1)(a) of the Competition Act 2002, as amended (the “Act”), the Competition and Consumer Protection Commission (the “Commission”) received a notification of a proposed acquisition whereby BoyleSports 2 Unlimited Company (“BoyleSports”) would acquire sole control of Tully Bookmakers Management Limited (“Tully Bookmakers”) (“the Proposed Transaction”).

The Proposed Transaction

2. The Proposed Transaction will be implemented pursuant to a share purchase agreement, dated 22 November 2021, between BoyleSports and the private individuals who are the current shareholders of Tully Bookmakers, namely Paul Tully, [...], [...], [...], and [...] (“the Sellers”) (the “SPA”). Under the terms of the SPA, BoyleSports will acquire the entire issued share capital, and thus sole control, of Tully Bookmakers.

The Undertakings Involved

The Acquirer - BoyleSports

3. BoyleSports is a private unlimited company registered in the State. Its headquarters are located in Dundalk, Co. Louth. BoyleSports is a wholly-owned subsidiary of BoyleSports Holdings Unlimited (“BoyleSports Holdings”), which is ultimately owned by BoyleSports Group Unlimited (“BoyleSports Group”). Mr John Boyle holds approximately [...] of the share capital of BoyleSports Group while the remaining share capital of BoyleSports Group is held by Ms Kathleen Boyle.



4. BoyleSports operates the following subsidiaries in the State:
 - i. [...];
 - ii. [...];
 - iii. [...];
 - iv. [...]; and
 - v. [...].

5. BoyleSports is a multi-channel betting and gaming company that offers betting services, casino games, poker and bingo through its local betting offices (“LBOs”), the internet, mobile applications and by telephone. BoyleSports owns and operates 276 LBOs in the State. BoyleSports provides online interactive betting and gaming services through www.boylesports.com, www.boylebingo.com, www.boylecasino.com, www.boylegames.com, www.boylelotto.com, www.boylepoker.com, and www.boylevegas.com. BoyleSports provides its telephone betting services *through Fon-A-Bet*, a freephone 24-hour phone betting service and through BoyleSports mobile and Android applications.

6. For the financial year ending 27 December 2020, the total worldwide turnover of BoyleSports Group was [...], of which [...] was generated in the State.

The Target – Tully Bookmakers

7. Tully Bookmakers is a private limited company registered in the State. Its registered address is in Slane, Co. Meath. Tully Bookmakers does not have any subsidiaries. Tully Bookmakers provides betting services through its 10 LBOs and telephone betting service, and does not provide online betting or gaming services.

8. Tully Bookmakers operates 10 LBOs across 8 counties in the following locations in the State:
 - i. 35 Church Street, Ennistymon, Co. Clare,
 - ii. 6 Kickham Street, Carrick-On-Suir, Co. Tipperary,
 - iii. Brownstown, Curragh, Co. Kildare,
 - iv. Main Street, Blackrock, Dundalk, Co. Louth,
 - v. Main Street, Duleek, Co. Louth,



- vi. Main Street, Dungloe, Co. Donegal,
 - vii. Main Street, Kingscourt, Co. Cavan,
 - viii. Main Street, Slane, Co. Meath,
 - ix. South Main Street, Naas, Co. Kildare, and
 - x. Unit 6, Swords Manor Shopping Mall, Brackenstown Road, Co. Dublin.
9. For the financial year ending 31 December 2020, the total worldwide turnover of Tully Bookmakers was [...], all of which was generated in the State.

Rationale for the Proposed Transaction

10. The parties state the following in the notification:

“BoyleSports considers that the Proposed Transaction presents it with the opportunity to expand its network of LBOs as well as its telephone betting business in the country which will permit the BoyleSports group to attain efficiencies which will benefit its customers. The Target Business will become part of the BoyleSports group and therefore will benefit from access to much greater [...] and technology offered by the acquiring group which will benefit consumers. BoyleSports’ intention is to invest in, and upgrade, each of the Target LBOs shortly after completion. Furthermore, the Target Business has no online facility for customers. Post the Proposed Transaction, customers of the Target Business will have access to BoyleSports’ online platform. Furthermore, the Target Business currently does not operate self-service betting terminals. A distinct advantage of self-service betting terminals in LBOs is that the customer can place bets without human contact which is a significant benefit in the context of the COVID-19 pandemic. This will be a very important benefit for the customers of the Target LBOs as they do not currently have access to self-service betting terminals. Furthermore, the BoyleSports group consistently offer the best fixed odds in the Irish market. [...]. As a result of the Proposed Transaction, consumers will benefit from an improved level of service and experience.”

Third Party Submissions

11. No submission was received.



Competitive Analysis

Horizontal Overlap

12. BoyleSports and Tully Bookmakers are active in the provision of betting services in the State. In particular, both parties provide betting services through LBOs and by telephone. This gives rise to a horizontal overlap between the activities of the parties in the State.

Relevant Product Market

13. The Commission defines the markets to the extent necessary depending on the particular circumstances of a given case. The Commission has previously considered the potential product markets for the provision of betting services through LBOs and by telephone in M/19/032 BoyleSports/GT Retail (Bruce Betting)¹, M/18/007 BoyleSports/JP Bookmakers² and M/16/007 Ladbrokes/Gala Coral³. In these cases, the Commission conducted its competitive assessment by reference to, amongst others, (i) the provision of betting services in LBOs and (ii) the provision of betting services by telephone. In the current case the Commission found no reason to depart from its previous approach and has, accordingly, assessed the Proposed Transaction by reference to (i) the provision of betting services in LBOs and (ii) the provision of betting services by telephone.

Relevant Geographic Market

i. The provision of betting services in LBOs

14. The Commission has previously assessed the provision of betting services in LBOs on narrow potential geographic markets as well as on a broader national basis.⁴
15. In its determination in M/18/007-BoyleSports/JP Bookmakers,⁵ the Commission stated that *“Customers use LBOs located within a given travel time from their point of origin and,*

¹ The Commission’s determination can be accessed at <https://www.ccpc.ie/business/mergers-acquisitions/merger-notifications/m-19-032-boylesport-gt-retail-bruce-betting/>

² The Commission’s determination can be accessed at <https://www.ccpc.ie/business/mergers-acquisitions/merger-notifications/m18007-boylesportsjp-bookmakers/>

³ The Commission’s determination can be accessed at <https://www.ccpc.ie/business/mergers-acquisitions/merger-notifications/m16007-ladbrokes-gala-coral/>

⁴ See footnotes 1 and 2.

⁵ The Determination can be accessed at <https://www.ccpc.ie/business/mergers-acquisitions/merger-notifications/m18007-boylesportsjp-bookmakers/> also see M/17/061 BoyleSports/Bambury Bookmakers



therefore, from a customer's perspective, the degree of competition between LBOs depends on the distance that customers are prepared to travel to alternative LBOs." In that case, the Commission assessed the competitive impact of the notified transaction both on the basis of a catchment area within a radius of 400m from each of the target LBOs as well as on the basis of a wider catchment area of within a radius of 3km from the each of target LBOs. This approach was subsequently followed by the Commission in its determination in in M/19/032 BoyleSports/ GT Retail (Bruce Betting).⁶

16. In the current case the Commission does not need to reach a definitive conclusion on the relevant geographic market as the Commission's conclusion on the competitive impact of the Proposed Transaction will be unaffected whether the relevant geographic market is defined narrowly or more broadly. The Commission has followed its approach in previous determinations and has assessed the competitive effects of the Proposed Transaction on both (1) a narrower potential geographic market encompassing a radius of 400m from each of Tully Bookmaker's LBOs and (2) a wider potential geographic market encompassing a catchment area within a radius of 3km from each of Tully Bookmaker's LBOs.
17. For completeness and in line with its previous determinations, the Commission has also assessed the impact on competition of the Proposed Transaction on a national basis.

ii. The provision of betting services by telephone

18. In M/16/007-Ladbrokes/Gala Coral ("Ladbrokes/Gala"),⁷ the Commission did not come to a definitive view as to the geographic market but conducted its competitive assessment of the potential market for the provision of telephone betting services on a national basis. During the course of its competitive assessment of the Proposed Transaction, the Commission found no reason to depart from its previous approach. Therefore, the Commission has

<https://www.ccpic.ie/business/mergers-acquisitions/merger-notifications/m17061-boylesportsbambury-bookmakers/>.

⁶ The Determination can be accessed at <https://www.ccpic.ie/business/wp-content/uploads/sites/3/2019/11/2020.03.10-M-19-032-Public-Determination.pdf>

⁷The Commission's determination can be accessed at <https://www.ccpic.ie/business/mergers-acquisitions/merger-notifications/m16007-ladbrokes-gala-coral/>.



assessed the effects on competition of the Proposed Transaction in the provision of betting services by telephone on a national basis.

Conclusion on relevant markets

19. The Commission assessed the potential competitive effects of the Proposed Transaction on the following potential markets:

- The provision of betting services in LBOs within: (i) a 400m and (ii) a 3km radius of the Target LBOs, and (iii) on a national basis;
- The provision of betting services by telephone in the State.

Competitive analysis – Horizontal Overlap

The provision of betting services in LBOs in local areas

20. Tully Bookmakers owns and operates 10 LBOs in the State, as listed in paragraph 8 above. BoyleSports owns and operates 276 LBOs in the State.

21. There is no geographic overlap, on the basis of either the 400m catchment area or the 3km catchment area, between the activities of the parties in the provision of betting services in LBOs in 7 of the local areas in which Tully Bookmakers is active.⁸ The Commission, therefore, considers that the Proposed Transaction is not likely to raise competition concerns in any of these local areas. No further discussion of the likely effect on competition in these local areas is contained in the rest of this Determination.

22. There is a geographic overlap between the activities of the parties in the provision of betting services in LBOs in 3 local areas, namely Naas, Co. Kildare, Carrick-on-Suir, Co. Tipperary and Swords, Co. Dublin.

The provision of betting services in LBOs in Naas, Co. Kildare.

⁸ Namely: Blackrock, Co. Louth; Slane, Co. Meath; Kingscourt, Co. Cavan; Dungloe, Co. Donegal; Church St Ennistymon, Co. Clare; Brownstown, Co. Kildare, and Duleek, Co. Meath.



23. Table 1 below lists the operators which provide betting services in LBOs within a 400m/3km catchment area from the Tully Bookmakers LBO that is located on South Main Street, Naas, Co. Kildare.

Table 1: The Betting service providers in LBOs within 400m/3 km catchment area from the Tully Bookmakers LBO at South Main Street, Naas, Co. Kildare

Market participants	Address	Distance from the Tully Bookmakers LBO
Tully Bookmakers	South Main St.	-
BoyleSports	Main St.	191m
Ladbrokes	Pacelli Rd.	450m
Paddy Power	Main St.	463m
Paddy Power	Monread Lodge Shopping	1,443m

Source: The parties

24. Table 1 shows that BoyleSports operates one LBO within the narrow 400m catchment area, which is located on Main Street. There are no other competitors within the 400m catchment area from the Tully Bookmakers LBO, although two competitors have LBOs located just outside the 400m catchment area, namely Ladbrokes, which operates one LBO located 450m from the Tully Bookmakers LBO, and Paddy Power, which also operates one LBO located 463m from the Tully Bookmakers LBO. Paddy Power operates one further LBO within the 3km catchment area, which is located 1,443m from the Tully Bookmakers LBO.
25. The Commission considers that Ladbrokes and Paddy Power, by reason of their presence within a 3km radius of the Tully Bookmakers LBO and the central location of the Ladbrokes LBO on Pacelli Road and the Paddy Power LBO on Main Street, are likely to continue to pose a competitive constraint on BoyleSports following the implementation of the Proposed Transaction. Therefore, the Commission is of the view that the Proposed Transaction does not give rise to horizontal competition concerns in relation to the provision of betting services in LBOs in Naas, Co. Kildare.

The provision of betting services in LBOs in Carrick-on-Suir, Co. Tipperary

26. Table 2 below lists operators who provide betting services in LBOs within a 400m and a 3km catchment area from the Tully Bookmakers LBO that is located at 6 Kickham Street, Carrick-on-Suir, Co. Tipperary.



Table 2: The betting service providers in LBOs within 400m/3 km catchment area from the Target LBO at 6 Kickham Street, Carrick-on-Suir, Co. Tipperary

Market participants	Address	Distance from the Tully Bookmakers LBO
Tully Bookmakers	6 Kickham Street	-
BoyleSports	Sean Kelly Square	48m
Paddy Power	Main Street	296m
Bar One Racing	Phill Road, Ballylynch	1,600m

Source: The parties.

27. Table 2 shows that BoyleSports operates one LBO within the narrow 400m catchment area, namely the BoyleSports LBO located on Sean Kelly Square. Paddy Power is the only competitor of the parties operating an LBO within the 400m catchment area. Within the 3km catchment area, there is an additional competitor, Bar One Racing Limited, which operates one LBO located 1,600m from the Tully Bookmakers LBO located at 6 Kickham Street, Carrick-on-Suir, Co. Tipperary.
28. The Commission considers that Paddy Power and Bar One Racing Limited, by reason of their presence within a 400m and 3km radius of the Tully Bookmakers LBO in Carrick-on-Suir, Co. Tipperary, respectively, are likely to pose a competitive constraint on BoyleSports following the implementation of the Proposed Transaction. Therefore, the Commission is of the view that the Proposed Transaction does not give rise to any horizontal competition concerns in relation to the provision of betting services in LBOs in Carrick-on-Suir, Co. Tipperary.

The provision of betting services in LBOs in Swords, Co. Dublin.

29. Table 3 below lists the operators who provide betting services in LBOs within a 3km catchment area from the Tully Bookmakers LBO that is located in Manor Mall Shopping Centre, Swords, Co. Dublin.

Table 3: The Betting service providers in LBOs within 400m/3 km catchment area from the Tully Bookmakers LBO at Manor Mall Shopping Centre, Swords, Dublin.



Market participants	Address	Distance from the Tully Bookmakers LBO
Tully Bookmakers	Unit 6, Swords Manor Mall Shopping Centre, Brackenstown Road	-
BoyleSports	Applewood	1,447m
BoyleSports	Boroimhe	1,593m
BoyleSports	23 Main Street	1,636m
BoyleSports	48 Main Street	1.674m
Ladbrokes	River Valley	861m
Paddy Power	Main Street	1,666m
Paddy Power	Swords North	1,832m

Source: The parties.

30. Table 3 shows there are no operators within a 400m radius of the Tully Bookmakers LBO in Swords Manor Mall Shopping Centre, Swords, Co. Dublin. Therefore, there is no geographic overlap between the activities of the parties within the 400m catchment area from the aforementioned Tully Bookmakers LBO. BoyleSports operates 4 LBOs within the 3km catchment area from the Tully Bookmakers LBO. Following implementation of the Proposed Transaction, BoyleSports would operate five LBOs within the Swords area. Other operators active in the 3km catchment area are Ladbrokes, which operates one LBO located 861m from the Tully Bookmakers LBO, and Paddy Power, which operates two LBOs located 1,666m and 1,832m from the Tully Bookmakers LBO. The Commission also notes that there is also a Bar One Racing Limited LBO located just over 4km from the Tully Bookmakers LBO in Swords Manor Mall Shopping Centre.
31. The Commission considers that Ladbrokes and Paddy Power are likely to continue to pose a competitive constraint on BoyleSports following the implementation of the Proposed Transaction. Further, the parties state in the notification that for large operators [such as BoyleSports] prices are primarily set at the national level, with local-level competition focusing on non-pricing competition, such as location. Both Paddy Power LBOs are centrally located and in close proximity to two BoyleSports LBOs on Main Street, Swords, Co. Dublin, while Ladbrokes operates an LBO under 1km from the Tully Bookmakers LBO. Additionally, the potential market for the provision of betting services in LBOs can be characterised by the homogenous nature of betting services, low customer loyalty and the low cost of switching providers.



32. In light of the above, the Commission is of the view that the Proposed Transaction does not give rise to any horizontal competition concerns in relation to the provision of betting services in LBOs in Swords, Co. Dublin.

Provision of betting services in LBOs on a national basis in the State

33. On a national level, the Proposed Transaction does not raise horizontal competition concerns in relation to the provision of betting services in LBOs. The parties estimated in the notification that the total potential market size for betting services in LBOs in the State is 798 LBOs with a combined revenue of [...]. Following the implementation of the Proposed Transaction BoyleSports will own 286 of the 798 LBOs in the State, representing approximately 36% of LBOs in the State.
34. There are a number of competing firms active in the provision of betting services in LBOs in the State. Table 4 below shows the estimated shares for the parties and their competitors in respect of the provision of betting services in LBOs in the State based on revenues.

Table 4: The estimated shares of the provision of betting services in LBOs in the State in 2020.

Market participants	Estimated turnover in €	Estimated shares based on revenues
BoyleSports	[...]	[35-40%]
Tully Bookmakers	[...]	[0-5%]
Combined market share of Parties	[...]	[35-40%]
Paddy Power/Betfair	[...]	[40-45%]
Ladbrokes	[...]	[10-15%]
Bar-One Racing Limited	[...]	[0-5%]
The Track Bookmakers	[...]	[0-5%]
Others	[...]	[0-5%]
Total	[...]	100%

Source: The parties' estimates⁹

35. As shown in Table 4, the Proposed Transaction is likely to result in a minimal ([0-5%]) increment in BoyleSports' share of the provision of betting services in LBOs in the State. Following implementation of the Proposed Transaction, BoyleSports will continue to face

⁹ Turnover estimates are provided by the parties based on the last full Calendar Year of trading in 2020 using turnover figures per Revenue Commissioners Tax Strategy Group Papers 2021, see <https://www.gov.ie/en/publication/fdd38-budget-2021-tsg-papers/>. Total Market estimates are provided by the parties based on Revenue Commissioner Betting Duty Return data.



competition from Paddy Power ([40-45%]), Ladbrokes ([10-15%]) and Bar-One Racing ([0-5%]).

36. For this reason, the Commission does not consider that the Proposed Transaction will raise any horizontal competition concerns in respect of the provision of betting services in LBOs in the State.

The provision of telephone betting services in the State

37. Table 5 below shows the parties estimated shares for the provision of telephone betting services in the State.

Table 5: The estimated shares for operators that provide betting services by telephone in the State

Market participants	Estimated turnover in €	Estimated shares based on revenues
BoyleSports	[...]	[25-30%]
Tully Bookmakers	[...]	[0-5%]
Combined market share of Parties	[...]	[25-30%]
Paddy Power/Betfair	[...]	[30-35%]
Ladbrokes	[...]	[5-10%]
Bar-One Racing Limited	[...]	[5-10%]
William Hill Bookmakers	[...]	[5-10%]
Others	[...]	[15-20%]
Total	[...]	100%

Source: The parties' estimates.

38. The Proposed Transaction will result in a minimal increment of [0-5%] in the BoyleSports' share of the provision of telephone betting services in the State. Following implementation of the Proposed Transaction, BoyleSports will continue to face competitive constraints from a number of competitors, including Paddy Power ([30-35%]), Ladbrokes ([5-10%]), and Bar-One ([5-10%]).
39. In light of the above, the Commission does not consider that the Proposed Transaction will raise any horizontal competition concerns in relation to the provision of betting services by telephone in the State.

Vertical Relationship

40. The parties have stated in the notification that there is no vertical relationship between BoyleSports and Tully Bookmakers. The Commission has not identified any vertical



relationship between the parties. Therefore, the Commission considers that the Proposed Transaction does not raise any vertical competition concerns in the State.

Conclusion

41. In light of the above, the Commission considers that the Proposed Transaction will not substantially lessen competition in any market for goods or services in the State.

Ancillary Restraints

42. No ancillary restraints were notified.

Determination

The Competition and Consumer Protection Commission, in accordance with section 21(2)(a) of the Competition Act 2002, as amended, has determined that, in its opinion, the result of the proposed acquisition whereby BoyleSports 2 Unlimited Company would acquire sole control of Tully Bookmakers Management Limited will not be to substantially lessen competition in any market for goods or services in the State, and, accordingly, that the acquisition may be put into effect.

For the Competition and Consumer Protection Commission.

Brian McHugh

Member

Competition and Consumer Protection Commission