

DETERMINATION OF MERGER NOTIFICATION M/23/038 – MEDIAHUIS/EURACTIV

Section 21 of the Competition Act 2002

Acquisition by Mediahuis N.V. of sole control of Euractiv Media Network B.V.

Dated: 19 September 2023

Introduction

1. On 11 August 2023, the Competition and Consumer Protection Commission (the “Commission”) received notification of a transaction to which section 18(1)(b) of the Competition Act 2002, as amended (the “Act”) applies, namely the acquisition by Mediahuis N.V. (“Mediahuis”) of the entire issued share capital, and thus sole control, of Euractiv Media Network B.V. (“Euractiv”) (the “Transaction”).¹
2. Given that Mediahuis “carries on a media business in the State” (as defined in section 28A(1) of the Act) and Euractiv carries on a media business elsewhere, the Commission considers that the Transaction falls within a class of merger specified for the purposes of section 18(1)(b) of the Act² and constitutes a “media merger” for the purposes of Part 3A of the Act.³

Putting the Notified Transaction into Effect Prior to Commission Clearance

3. On 11 May 2023, the Commission became aware that Mediahuis may have acquired Euractiv without the Parties notifying the Transaction to the Commission.
4. A failure to notify a proposed merger or acquisition to the Commission in accordance with section 18(1) of the Act prior to putting the merger or acquisition into effect is a criminal offence under section 18(9) of the Act. The Commission reserves its right to investigate any suspected breach of the notification requirements under section 18(1) of the Act arising in relation to the Transaction.

¹ In this determination, together Mediahuis and Euractiv are referred to as the “Parties”.

² As specified by the Competition Act 2002 (Section 18 (5) and (6)) Order 2007 (S.I. 122/2007).

³ As defined in section 28A(1) of the Act.

5. Pursuant to section 19(1) of the Act, any proposed merger or acquisition that is required to be notified to the Commission pursuant to section 18(1) of the Act shall not be put into effect until the Commission has made a determination in relation to such merger or acquisition (or until the statutory period for the Commission to make a determination in relation to such merger or acquisition has elapsed). If a proposed merger or acquisition is purportedly put into effect in contravention of section 19(1) of the Act, such merger or acquisition is void under section 19(2) of the Act.
6. Section 18(12A) of the Act provides that the Commission may request or accept notification of a merger or acquisition which is required to be notified to the Commission pursuant to section 18(1) of the Act but which was purported to have been put into effect without having been notified to the Commission. The Commission has accepted the notification of the Transaction in accordance with section 18(12A) of the Act and proceeded to review the merger notification form (the “Notification”) in accordance with the relevant provisions of the Act.
7. The Parties state in the Notification that the Notification is *“required to be made under Section 18(1)(b) of the [Act] and is being made pursuant to Section 18(12A) of the [Act] as the Transaction already completed...”*.
8. In correspondence dated 16 August 2023, the Commission informed the Parties that:
 - pursuant to section 19(1) of the Act, any proposed merger or acquisition shall not be put into effect until the Commission has determined that the merger or acquisition may be put into effect;⁴ and
 - if a proposed merger or acquisition is put into effect in contravention of section 19(1) of the Act, such proposed merger or acquisition is void pursuant to section 19(2) of the Act.

⁴ Pursuant to section 19(1) of the Act, any proposed merger or acquisition that is required to be notified to the Commission pursuant to section 18(1) of the Act shall not be put into effect until the Commission has made a determination in relation to such merger or acquisition that it may be put into effect (or until the statutory period for the Commission to make a determination in relation to such merger or acquisition has elapsed). If a proposed merger or acquisition is purportedly put into effect in contravention of section 19(1) of the Act, such merger or acquisition is void under section 19(2) of the Act.

The Transaction

9. The terms of the Transaction are set out in a share purchase agreement, dated 26 April 2023, between Mediahuis and a number of individuals, [...] (the “SPA”). The Parties state in the Notification that “[t]he SPA was completed / executed on 10 May”. Under the terms of the SPA, Mediahuis acquired the entire issued share capital, and thus sole control, of Euractiv.

The Undertakings Involved

The Acquirer – Mediahuis

10. Mediahuis is a privately owned European media company incorporated in Belgium and headquartered in Antwerp.⁵ Mediahuis publishes print and digital news titles, whilst also operating a number of digital marketplaces, radio and local television broadcasting businesses.
11. Mediahuis is active in a number of EU States, with a particular focus on its newspaper brands and magazines, the operation of online classified titles and radio businesses. Mediahuis is also active in commercial printing for its newspaper and magazine businesses.
12. In the State, Mediahuis is primarily involved in the publication of newspapers and related online content through its Irish newspapers’ websites. Mediahuis’ Irish subsidiaries publish a range of national and regional newspapers, which are set out in Table 1 below.

Table 1: Mediahuis’ activity in the State in 2022

State publications	Description
The Irish Independent	The Irish Independent is published every Monday to Saturday by Mediahuis and is also available online.
The Herald.ie	The Herald.ie is published every Monday to Saturday by Mediahuis and is also available online. It is also distributed in Leinster.
The Sunday Independent	The Sunday Independent is published by Mediahuis every Sunday, alongside a supplement of Life Magazine.

⁵ Mediahuis was formed in 2014 by way of a joint venture between Mediahuis Partners N.V. and Concentra N.V., two family-owned companies active in the Flemish and Belgian press sector.

The Sunday World	The Sunday World is published by Mediahuis every Sunday and is also available online.
Ireland's Own	Ireland's own is a full colour magazine which is published by Mediahuis on a weekly basis and is also available online.
The Indo Daily	The Indo Daily consists of a portfolio of podcasts released on Apple Podcasts, Google Podcasts and Audioboom comprising The Indo Daily, The BelTel, CrimeWorld, Real Health, The Big Tech Show, The Left Wing, The Throw In and Inside Ulster.
Regional Newspapers⁶	Mediahuis publishes eleven weekly regional newspaper titles.

Source: the Notification

13. Mediahuis also operates online classified titles, including www.carsireland.ie, www.cartell.ie and www.carzone.ie in the State.
14. Additionally, Mediahuis is active in the distribution and wholesale of both its own newspapers and third-party newspapers. Mediahuis provides these distribution and wholesale services to approximately 6,000 retailers in the State and Northern Ireland through its wholly owned subsidiary *Newsread Limited*, trading as Reach Group.
15. For the financial year ending 30 September 2022, Mediahuis' worldwide turnover was approximately €1.224 billion, €[...] of which was generated in the State.

The Target - Euractiv

16. Euractiv is an online media company operating across the EU with editorial offices in Brussels, Paris and Berlin. Euractiv provides coverage of EU affairs on topics such as energy, the environment, technology and the economy, including legislative developments within the European institutions.

⁶ The Kerryman (Co. Kerry), The Corkman (Co. Cork), the Drogheda Independent and The Argus (Co. Louth), the Bray People and Wicklow People (Co. Wicklow), the Wexford People, the Gorey Guardian, the Enniscorthy Guardian and the New Ross Standard (Co. Wexford), and the Sligo Champion (Co. Sligo).

17. Euractiv also organises events, policy debates, and conferences that bring together EU policymakers, stakeholders, and industry leaders, contributing to a better understanding of EU policies and their impact.
18. Euractiv operates through its online news portals www.euractiv.com, www.euractiv.de, and www.euractiv.fr. Euractiv's online news portals distribute news and insights and aim to facilitate public debate around EU policies. The Parties have stated in the Notification that Euractiv does not focus on Irish-specific content, nor does it have any significant Irish-targeted advertising.⁷
19. For the financial year ending 30 September 2022, Euractiv's worldwide turnover was approximately €6.17 million, €[...] of which was generated in the State.

Rationale for the Notified Transaction

20. The Parties state the following in the Notification:

“The Transaction represents an expansion of Mediahuis’ portfolio, adding a pan-European online publishing brand for the first time. As a result of the Transaction, Euractiv is expected to benefit from Mediahuis’ international scale and technological know-how with shared values and a commitment to delivering robust, independent, and multilingual news, the transaction fosters continuity and complementary growth for both Mediahuis and Euractiv across Europe.”

Third-Party Submissions

21. No third-party submission was received.

Competitive Analysis

Horizontal overlap

22. There is a horizontal overlap between the Parties in respect of the sale of online advertising in the State.

⁷ Euractiv had [...] customers based in Ireland in 2022 : [...].

Relevant Markets

Product market

23. Both Mediahuis and Euractiv are active in the sale of online advertising in the State. The Commission and the European Commission (the “EC”) have considered in previous merger determinations that the sale of print advertising and the sale of online advertising constitute different product markets.
24. The Commission has previously considered the sale of online advertising in its determination in *M/17/040 - INM & Caltray/Offscript (JV)*. In that determination, the Commission, while ultimately leaving the precise product market definition open, assessed the competitive impact of that transaction by drawing a distinction between online and offline advertising.⁸ In *M/18/016 – Trinity Mirror/Northern & Shell*, the Commission, while ultimately leaving the precise product market definition open, distinguished the sale of advertising in newspapers from the sale of online advertising, as online advertising is capable of reaching targeted audiences.⁹ In *M/21/052 – DMG/Nalac*, the Commission, while ultimately leaving the precise product market definition open, assessed the competitive impact of that transaction by distinguishing between the sale of print advertising and the sale of online advertising.¹⁰
25. The EC has also previously considered online advertising. In M.4731 *Google/DoubleClick*, the EC, while ultimately leaving the precise product market definition open, distinguished between offline and online advertising.¹¹ The EC concluded that there is a separate market for the provision of online advertising as distinct from offline or print advertising.
26. The Commission defines markets to the extent necessary depending on the particular circumstances of a given case. In this instance, it is not necessary for the Commission to define the precise relevant product markets because, regardless of whether the potential product market is defined broadly or narrowly, doing so will not alter the Commission’s assessment of the competitive effects of the Transaction.

⁸ Determination accessible at: <https://www.ccpc.ie/business/wp-content/uploads/sites/3/2017/07/M-17-040-Independent-Newspapers-Caltray-public.pdf>.

⁹ Determination accessible at: <https://www.ccpc.ie/business/wp-content/uploads/sites/3/2018/02/M-18-016-Trinity-Mirror-Northern-Shell-Public-determination.pdf>.

¹⁰ Determination accessible at: <https://www.ccpc.ie/business/wp-content/uploads/sites/3/2021/09/2021.10.27-M-21-052-DMG-Nalac-Public-Det.pdf>

¹¹ Determination accessible at: https://ec.europa.eu/competition/mergers/cases/decisions/m4731_20080311_20682_en.pdf.

27. The Commission has, in the course of its analysis of the Transaction, found no reason to depart from its previous approach¹² and has, accordingly, assessed the competitive effects of the Transaction by reference to the sale of online advertising.

Geographic market

28. The Commission defines markets to the extent necessary depending on the particular circumstances of a given case. In this instance, it is not necessary for the Commission to define the precise relevant geographic market because doing so will not alter the Commission's assessment of the competitive impact of the Transaction.
29. In *M/17/068 – Irish Times/Sappho*,¹³ while ultimately leaving the precise geographic market definition open, the Commission assessed the competitive impact of that transaction by reference to the sale of online advertising in the State. Similarly, in *M/18/016 – Trinity Mirror/Northern & Shell*, the Commission reviewed that merger in relation to the State.¹⁴ In *M/21/052 – DMG/Nalac*, the Commission reviewed that merger in relation to the sale of online advertising in the State.¹⁵
30. The Commission has, in the course of its analysis of the Transaction, found no reason to depart from its previous approach and has assessed the competitive effects of the Proposed Transaction by reference to the State.

Conclusion on relevant markets

31. For the purposes of carrying out its competitive assessment of the Transaction, the Commission has assessed the Transaction by reference to the potential market for the sale of online advertising in the State.

Horizontal Competitive Assessment

The sale of online advertising in the State

32. There is a minor horizontal overlap between the Parties in relation to the sale of online advertising in the State. In the Notification, the Parties provided share estimates for online

¹² See, for example, Footnote 10, *M/21/052 – DMG/Nalac*.

¹³ Determination accessible at: <https://www.ccpic.ie/business/wp-content/uploads/sites/3/2017/12/M-17-068-Irish-Times-Sappho-Phase-1-DET-Public.pdf>.

¹⁴ See footnote 9.

¹⁵ See footnote 10.

advertising spend in the State in 2022 based on their revenue and the IAB/PwC Online Adspend Study,¹⁶ as shown in Table 2.

Table 2: Estimated shares for online advertising spend in the State in 2022

Company	Revenue spend (€, million)	Market share (%)
Mediahuis	€[...]	[0-5]%
Euractiv	€[...]	[0-5]%
Combined	€[...]	[0-5]%
Others	€[...]	[95-100]%
TOTAL	€[...]	100%

Source: the Parties

33. Mediahuis sells online advertising on its websites including www.independent.ie,¹⁷ www.Sundayworld.com¹⁸ and www.irelandsown.ie¹⁹ generating €[...] in turnover in 2022 (equivalent to an estimated [0-5]% of the sale of online advertising in the State.) Euractiv also sells online advertising on its website www.euractiv.com,²⁰ amounting to €[...] in turnover in 2022 (equivalent to an estimated [0-5]% market share).²¹ As shown in Table 2 above, following the implementation of the Transaction, the Parties estimate that Mediahuis' share will have increased by an estimated [0-5] percentage points on its pre-Transaction share in the potential market for the sale of online advertising in the State.
34. The Commission considers that, following the implementation of the Transaction, customers and advertisers will continue to have access to a wide range of advertising alternatives to choose from. Mediahuis will also continue to face competition from national and regional newspaper publishers such as The Irish Times Group, News Corporation, Reach plc, the Daily Mail Group, Guardian Media Group and The Telegraph Media Group who will continue to exert a competitive constraint on Mediahuis in the sale of online advertising in the State. Furthermore, there remain strong international competitors selling online advertising space to customers in the State that will act as a competitive constraint on Mediahuis following the Transaction. In light of the above, the Commission considers that the Transaction does not

¹⁶ See footnote 10.

¹⁷ See: <https://www.independent.ie/>.

¹⁸ See: <https://www.sundayworld.com/>.

¹⁹ See: <https://www.irelandsown.ie/>.

²⁰ See: <https://www.euractiv.com/>.

²¹ See footnote 7.

raise any horizontal competition concerns in respect of the sale of online advertising in the State.

Vertical Overlap

35. The Parties state in the Notification that there is no vertical relationship between Mediahuis and Euractiv in the State. The Commission has not identified any actual or potential vertical relationship between the Parties in the State. Therefore, the Commission considers that the Transaction does not raise any vertical competition concerns in the State.

Conclusion of Competitive Analysis

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

Ancillary Restraints

37. 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 acquisition whereby Mediahuis N.V. acquired the entire issued share capital, and thus sole control, of Euractiv Media Network B.V., 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.

Úna Butler

Member

Competition and Consumer Protection Commission