



EUROPEAN COMMISSION

Hearing Officer

## **Final Report of the Hearing Officer<sup>1</sup>**

### **Telefónica UK / Vodafone UK / Everything Everywhere / JV**

#### **(COMP/M.6314)**

On 6 March 2012, the European Commission received a notification of a proposed concentration pursuant to Article 4 of the Merger Regulation<sup>2</sup> by which Telefónica UK Limited, Vodafone Group plc, and Everything Everywhere Limited (jointly controlled by France Télécom and Deutsche Telekom), acquire within the meaning of Article 3(1)(b) of the Merger Regulation joint control of a newly created joint venture company, which will offer various mobile commerce services to businesses in the UK. The Commission adopted a decision to initiate proceedings pursuant to Article 6(1)(c) of the Merger Regulation on 13 April 2012.

On 14 June and 10 July 2012, I accepted requests from, respectively, Hutchinson 3G UK Limited ("Three UK") and Lloyds Banking Group to be heard as interested third persons pursuant to Article 18(4) of the Merger Regulation. Three UK and Lloyds Banking Group demonstrated sufficient interest in the proceedings. The notified concentration is likely to affect their competitive position with respect to the offer of mobile wallet services in the UK. Lloyds Banking Group is also a potential customer of the future joint venture. Moreover, both parties have made a number of contributions in the course of the procedure. Accordingly, I informed the notifying parties of my decision to recognize Three UK and Lloyds Banking Group as interested third persons.

On the basis of the additional evidence gathered during the in-depth phase of the investigation, the Commission services concluded that the proposed transaction would not significantly impede effective competition in the internal market, and is therefore compatible with the internal market and the functioning of the EEA Agreement. Consequently, no statement of objections was sent to the parties.

The draft decision provides for an unconditional clearance of the proposed concentration. I have not received any complaint about the effective exercise of procedural rights by the

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<sup>1</sup> Pursuant to Articles 16 and 17 of Decision 2011/695/EU of the President of the European Commission of 13 October 2011 on the function and terms of reference of the hearing officer in certain competition proceedings, OJ L 275, 20.10.2011, p. 29.

<sup>2</sup> Council Regulation (EC) No 139/2004 on the control of concentration between undertakings, OJ L 24, 29.1.2004, p. 1.

notifying parties or other parties. The draft decision does not contain any objections on which the parties have not had the opportunity to make known their views. In view thereof, I consider that all participants in the proceeding have been able to effectively exercise their procedural rights in this case.

Brussels, 8 August 2012

(Signed)  
Michael ALBERS