



Final Report of the Hearing Officer¹

PRSFm/ STIM/ GEMA/ JV

Case/M.6800

1. On 28 November 2014, pursuant to Article 4 of Council Regulation (EC) No 139/2004² (the “Merger Regulation”) and in particular following a successful request under Article 4(5) of that regulation, the European Commission received a notification of a proposed transaction (the “Proposed Transaction”) by which the “Notifying Parties” – namely PRS for Music Limited (PRSFm), Föreningen Svenska Tonsättares Internationella Musikbyrå u.p.a. (STIM) and Gesellschaft für musikalische Aufführungs- und mechanische Vervielfältigungsrechte (GEMA) – acquire joint control in a newly created joint venture by way of purchase of shares.
2. On 14 January 2015, the Commission adopted a decision initiating proceedings pursuant to Article 6(1)(c) of the Merger Regulation. In that decision, the Commission indicated that the Proposed Transaction involves the creation of a full-function joint venture falling within the scope of the Merger Regulation and that that transaction raised serious doubts as to its compatibility with the internal market and the EEA Agreement.
3. On 28 January 2015, the Notifying Parties submitted their written comments on that decision of 14 January 2015.
4. The period within which to examine the Proposed Transaction was extended by 20 working days following a request to this effect submitted by the Notifying Parties on 4 February 2015 in accordance with Article 10(3), second subparagraph, of the Merger Regulation.
5. In order to address the competition concerns identified by the Commission, the Notifying Parties submitted a first set of proposed commitments on 13 March 2015. The same day, the Commission initiated a “market test” of those proposals. It communicated the outcome of that market test to the Notifying Parties on 25 March 2015.
6. The Notifying Parties submitted a revised set of proposed commitments on 1 April 2015.

¹ 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 (“Decision 2011/695/EU”).

² Council Regulation (EC) No 139/2004 of 20 January 2004 on the control of concentrations between undertakings (OJ L 24, 29.1.2004, p. 1).

7. On 10 April 2015, the Notifying Parties submitted a further modified set of proposed commitments (the “Final Commitments”).
8. The Commission did not issue a statement of objections pursuant to Article 13(2) of Commission Regulation (EC) No 802/2004.³ There was no formal oral hearing in accordance with Article 14 of that regulation.
9. There were no applications to be heard as an interested third person in the present proceedings.
10. The Commission takes the view that the Final Commitments remove the competition concerns raised by the Proposed Transaction. The draft decision therefore declares the Proposed Transaction compatible with the internal market and the EEA Agreement, subject to compliance with the Final Commitments set out as obligations attached to the draft decision.
11. Pursuant to Article 16 of Decision 2011/695/EU, I have examined whether the draft decision deals only with objections in respect of which the parties have been afforded the opportunity of making known their views. I conclude that it does.
12. Overall, I consider that the effective exercise of procedural rights has been respected during the present proceedings.

Brussels, 8 June 2015

(Signed)

Joos STRAGIER

³ Commission Regulation (EC) No 802/2004 implementing Council Regulation (EC) No 139/2004 on the control of concentrations between undertakings (OJ L 133, 30.4.2004, p.1; corrigendum OJ L 172, 6.5.2004, p. 9).