



OPINION

of the ADVISORY COMMITTEE on MERGERS
given at its meeting of 29 September 2014
regarding a draft decision relating to
CASE COMP/M.7000 – LIBERTY GLOBAL/ZIGGO

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| Rapporteur: Hungary |
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Concentration

1. The Advisory Committee agrees with the Commission that the notified operation constitutes a concentration within the meaning of Council Regulation No. 139/2004.
2. The Advisory Committee agrees with the Commission that the notified operation has a Union dimension pursuant to Article 1(2) of the Merger Regulation.

Relevant Markets

3. The Advisory Committee agrees with the Commission's definitions of the relevant product and geographic markets in the draft Decision.
4. In particular, the Advisory Committee agrees with the Commission that, for the purpose of assessing the proposed concentration, the following markets should be distinguished:
 - a) The Dutch market for licensing/acquisition of broadcasting rights for TV content,
 - b) The Dutch market for wholesale supply and acquisition of Basic Pay TV channels and the Dutch market for wholesale supply and acquisition of Premium Pay TV channels,
 - c) The Dutch market for retail provision of TV services,
 - d) The Dutch market for retail provision of fixed telephony/voice services,
 - e) The Dutch market for retail provision of fixed Internet access services,
 - f) The Dutch market for retail provision of mobile telecommunication services to end customers.

Competitive Assessment

5. The Advisory Committee agrees with the Commission that the proposed concentration raises **concerns** as to its compatibility with the internal market or a substantial part thereof:

- a) with respect to the horizontal overlap between the parties' activities on the market for the wholesale supply and acquisition of Premium Pay TV (film) channels (supply side) in the Netherlands;
 - b) with respect to the vertical relationship between the market for the wholesale supply and acquisition of Premium Pay TV (film) channels (supply side) in the Netherlands on the one hand, and the downstream market for the retail supply of (Pay) TV services in the Netherlands, on the other hand;
 - c) with respect to the horizontal overlap between the parties' activities on the markets for the supply and acquisition of Basic and Premium Pay TV channels (acquisition side), which would lead to the prevention, delay or hampering of OTT audio visual services.
6. The Advisory Committee agrees with the Commission's assessment that there is no need to come to a final decision on whether the proposed concentration is likely to lead to a significant impediment of effective competition in respect of Dutch-language 1st and 2nd Pay TV window content, competing thematic TV channels and Internet network access in the Netherlands, since the commitments proposed by the Notifying Party will also address any potential concerns related to these.

Remedy

7. The Advisory Committee agrees with the Commission that **the commitments are sufficient** to remove the concerns raised by the proposed concentration as to its compatibility with the internal market or a substantial part thereof:
- a) with respect to the horizontal overlap between the parties' activities on the market for the wholesale supply and acquisition of Premium Pay TV (film) channels (supply side) in the Netherlands;
 - b) with respect to the vertical relationship between the market for the wholesale supply and acquisition of Premium Pay TV (film) channels (supply side) in the Netherlands on the one hand, and the downstream market for the retail supply of (Pay) TV services in the Netherlands, on the other hand;
 - c) with respect to the horizontal overlap between the parties' activities on the markets for the supply and acquisition of Basic and Premium Pay TV channels (acquisition side), which would lead to the prevention, delay or hampering of OTT audio visual services.
8. The Advisory Committee agrees with the Commission that, subject to full compliance with the commitments offered by the parties, and all commitments considered together, the proposed concentration **is unlikely to significantly impede effective competition** in the internal market or in a substantial part thereof.
9. The Advisory Committee agrees with the Commission's view that the proposed concentration **should be declared compatible** with the internal market and the EEA Agreement in accordance with Articles 2(2) and 8(2) of the Merger Regulation and Article 57 of the EEA Agreement.