



**Final Report of the Hearing Officer<sup>1</sup>**  
**Apple/Shazam**  
**(COMP/M.8788)**

1. On 14 March 2018, the Commission received a notification of a proposed concentration pursuant to Article 4 of Council Regulation (EC) No 139/2004 of 20 January 2004 on the control of concentrations between undertakings<sup>2</sup> (the "Merger Regulation") by which Apple Inc. (the "Notifying Party" or "Apple") would acquire within the meaning of Article 3(1)(b) of the Merger Regulation sole control of Shazam Entertainment Ltd. ("Shazam") (the "Proposed Transaction").<sup>3</sup> Apple and Shazam are collectively referred to hereinafter as "Parties".
2. On 23 April 2018, the Commission initiated proceedings pursuant to Article 6(1)(c) of the Merger Regulation, raising serious doubts as to the compatibility of the Proposed Transaction with the internal market and with the functioning of the EEA Agreement as a result of non-horizontal non-coordinated effects in respect of digital music streaming apps and automatic content recognition ("ACR") software solutions, including music recognition apps. On 15 May 2018, the Notifying Party submitted its reply to the Article 6(1)(c) Decision.
3. On 15 May 2018, the Commission extended the second phase investigation period by ten working days at the request of the Notifying Party pursuant to the second subparagraph, first sentence, of Article 10(3) of the Merger Regulation.
4. Following its investigation, the Commission concluded that the Proposed Transaction would not significantly impede effective competition in the internal market or in a substantial part of it. The decision therefore declares the Proposed Transaction compatible with the internal market and the functioning of the EEA Agreement.

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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 ("Decision 2011/695/EU").

<sup>2</sup> OJ L 24, 29.1.2004, p. 1.

<sup>3</sup> The Proposed Transaction was initially notified to the Austrian competition authority on 21 December 2017. Following the latter's referral request pursuant to Article 22(1) of the Merger Regulation, joined by the competition authorities of several other Member States, the Commission decided on 6 February 2018 to accept the referral request and to examine the Proposed Transaction pursuant to Article 22(3) of the Merger Regulation.

5. I have not received any request or complaint from the Parties about the exercise of their right to be heard. Overall, I consider that the effective exercise of procedural rights has been respected during the present proceedings.

Brussels, 23 August 2018

Joos STRAGIER