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The *Autorité de la Concurrence* clears the acquisition of Groupe News Participations by SFR Group

Parties to the operation

On 6 April 2017, the SFR Group notified the *Autorité de la Concurrence* that it was increasing its holding in Groupe News Participations (hereafter "GNP"), thus taking sole control of GNP[1]. The Altice Group, which controls the SFR Group, is active mainly in the sectors of telecommunications, television, print media and advertising. GNP is the parent company of a media group producing content that is mostly broadcast over television channels (especially BFM TV and RMC Découverte) and radio stations (RMC and BFM Business).

The transaction is not one that would harm competition in the television markets concerned

In the television markets which would be most affected by the transaction, the Altice Group currently holds limited positions that are inferior to those of its main competitors, particularly Groupe Canal +, which like Altice is present in this sector across the entire value chain.

The creation of an integrated player active both in the pay- and free-TV markets would not give the Altice Group an unassailable position, as it would then face competition from Groupe Canal +[2].

- *In the pay-TV markets*

The *Autorité* noted that the recent acquisitions of rights to broadcast sporting events, such as the Champions League in France and the Europa Football League, and the current negotiations with a number of American studios for the rights to broadcast recent films and series, give the Altice Group the potential to stimulate competition in the pay-TV markets.

- *In the free-TV markets*

As GNP is active mainly in the free TV markets via its channels RMC Découverte, BFM TV and Numéro 23[3], the *Autorité* has reviewed carefully the effects of the transaction on these markets. The transaction reinforcing the Altice Group's presence at all levels of the TV value chain and the risks of supplanting rival channels, particularly free ones, have been particularly carefully considered. Following the review, the *Autorité* did not identify a risk, largely because the positions in these markets are not significant.

- *In the internet service-provider markets*

The presence of the Altice Group in the related markets of internet access provision allows it in particular to include TV services in the "multi-play" packages it offers. This was also taken into account in considering the conglomerate effect, but the analysis carried out by the *Autorité* showed that the planned transaction was unlikely by its nature to create or enhance either the Altice Group's ability or its incentive to supplant its competitors in these markets.

> See the full text of the decision 17-DCC-76 of 13 June 2017

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[1] *As GNP has asked the French Broadcasting Regulator (Conseil supérieur de l'audiovisuel, CSA) for its authorization to acquire the TV channel Numéro 23, the Autorité included this free private television channel within its competitive analysis. The decision taken by the Autorité to include Numéro 23 in its competitive analysis in no way prejudges the decision of the Broadcasting Regulator*.

[2] *The undertakings and injunctions imposed by the Autorité in 2012, when the channels Direct 8 and Direct Star were bought out and TPS and CanalSatellite acquired under sole control, are currently under review.*

[3] *The last is subject to agreement from the French Broadcasting Regulator (see Footnote 1).*