

**The Proposed
Acquisition of sole
control of MCR II
– Media Capital
Rádios, S.A. by
Bauer Media
Audio Holding
GmbH**

Phase 1 Assessment

M_2022_2

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1. Background

1.1 The Proposed Transaction involves the acquisition of sole control of MCR II – Media Capital Rádios, S.A. (the **Target**) by Bauer Media Audio Holding GmbH (the **Purchaser**) (the **Proposed Transaction**)¹.

1.2 The Parties are making a joint notification².

The Purchaser:

1.3 Heinrich Bauer Verlag KG, through its wholly owned subsidiary, Heinrich Bauer Verlag Beteiligungs GmbH, is the ultimate parent company of the Purchaser³. Heinrich Bauer Verlag KG is a privately-owned German media business which operates over 150 audio brands in eight countries including the UK, Poland, Slovakia, Denmark, Sweden, Finland and Norway⁴. As the Purchaser is wholly owned by the parent companies, they will not be considered separately in this assessment.

1.4 The Purchaser is active in the State through Bauer Media Audio Ireland Limited (**BMA Ireland**) which is wholly owned by Bauer Media Audio Holding GmbH. BMA Ireland operates a number of commercial radio stations and online news offerings in the State⁵.

The Target:

1.5 The Target is a limited liability company by shares incorporated and registered under the laws of Portugal⁶.

1.6 The Target operates radio stations and online versions in Portugal⁷.

1.7 The Target is not active in the State⁸.

¹ M_2022_2 Bauer / MCR notification form p. 1

² M_2022_2 Bauer / MCR notification form p. 5

³ M_2022_2 Bauer / MCR notification form p. 1

⁴ M_2022_2 Bauer / MCR notification form p. 2

⁵ M_2022_2 Bauer / MCR notification form p. 2

⁶ Annex A to the notification form – Share Purchaser Agreement p. 4

⁷ M_2022_2 Bauer / MCR notification form p. 2

⁸ M_2022_2 Bauer / MCR notification form p. 3

1.8 The sole shareholder of the Target is MEGLO – Media Global, SGPS, S.A. (the **Seller**)⁹.

1.9 The Target wholly owns 3 subsidiaries, which in turn wholly own 11 subsidiaries as follows¹⁰:

- (a) Rádio Regional de Lisboa, S.A.
 - (i) Rádio Litoral Centro, Lda
 - (ii) P.R.C. - Produções Radiofónicas de Coimbra Lda
 - (iii) Leirimédia - Produções e Publicidade, Lda
 - (iv) Moliceiro - Comunicação Social, Unipessoal, Lda
 - (v) Notimaia - Publicações e Comunicação, Unipessoal, Lda
 - (vi) R.C. - Empresa de Radiodifusão, Unipessoal, Lda
- (b) Rádio Comercial, S.A.
 - (i) Rádio XXI, Lda
 - (ii) Rádio Nacional - Emissões de Radiodifusão - Unipessoal Lda
 - (iii) Coco - Companhia de Comunicação, Unipessoal, Lda
- (c) R. Cidade, Lda.
 - (i) Drums - Comunicações Sonoras, Unipessoal Lda
 - (ii) R 2000 - Comunicação Social, Lda

Media Sector

1.10 Media Mergers, as defined in s. 28A of the Competition Act 2002 (as amended) (the **Competition Act**), refers to those undertakings which “carry on a media business” in the State. A “media business” is defined in the Competition Act as follows:

⁹ M_2022_2 Bauer / MCR notification form p. 1

¹⁰ Annex C to the notification form – Target Structure Chart

‘media business’ means the business (whether all or part of an undertaking’s business) of—

- (a) the publication of newspapers or periodicals consisting substantially of news and comment on current affairs, including the publication of such newspapers or periodicals on the internet,
- (b) transmitting, re-transmitting or relaying a broadcasting service,
- (c) providing any programme material consisting substantially of news and comment on current affairs to a broadcasting service, or
- (d) making available on an electronic communications network any written, audiovisual or photographic material, consisting substantially of news and comment on current affairs, that is under the editorial control of the undertaking making available such material;

1.11 Furthermore, the current Guidelines on Media Mergers (**the Guidelines**) provide the following supplementary definition of a “*media sector*”:

‘media sector’ means one of the following (and ‘media sectors’ means one or more of the following collectively):

- (a) Publishing – publication of newspapers or periodicals consisting substantially of news and comment on current affairs and the production of content for same.
- (b) Broadcasting – transmitting, re-transmitting or relaying a broadcast service including radio or television and the production of content for same.
- (c) Internet Media – making available on an electronic communications network any written, audio-visual or photographic material consisting substantially of news and comment on current affairs.

1.12 Furthermore, the Guidelines also note a number of sectors, these being *television, radio, print media, internet, [and] other media interests*, on the basis of which cross-media interests can be considered.

1.13 The Guidelines provide a working method of grouping media business, as defined in the Competition Act, in order to facilitate the examination of notified media mergers. The guidance provided by the Guidelines in this area is not exhaustive and does not preclude the examination of sub-sectors of the media sectors identified or other relevant groupings of media businesses.

The Purchaser:

1.14 BMA Ireland is active in the broadcasting and internet media sectors in the State through the operation of commercial radio stations and the provision of online news offerings including the following¹¹:

(a) Two national radio stations:

(i) Today FM

(ii) Newstalk

(b) Three local / regional radio stations:

(i) 98FM

(ii) Spin 1038

(iii) Spin SW

(c) Six websites:

(i) todayfm.com

(ii) newstalk.com¹²

(iii) 98fm.com

(iv) spin1038.com

(v) spinsouthwest.com

(vi) otbsports.com

¹¹ M_2022_2 Bauer / MCR notification form p. 2, 9-12

¹² The Parties note (notification form p. 2) that Newstalk is also a provider of wholesale news services to most of the local stations throughout the State.

- (d) Six apps:
 - (i) Today FM
 - (ii) Newstalk
 - (iii) 98FM
 - (iv) OTB Sports
 - (v) SPIN
 - (vi) GoLoud

- (e) Multiple podcasts operated by the following entities:
 - (i) Today FM
 - (ii) Newstalk
 - (iii) 98FM
 - (iv) OTB Sports
 - (v) Spin 1038
 - (vi) Spin South West

- (f) Multiple social media accounts operated across Facebook, Twitter, Instagram, Tiktok and YouTube by the following entities:
 - (i) Today FM
 - (ii) Newstalk
 - (iii) 98FM
 - (iv) Spin 1038
 - (v) Spin SW
 - (vi) OTB Sports

The Target:

- 1.15 The Target is not active in any media sector in the State¹³.
- 1.16 The Target is involved in the provision of radio stations and online versions in Portugal¹⁴.

¹³ M_2022_2 Bauer / MCR notification form p. 3

¹⁴ M_2022_2 Bauer / MCR notification form p. 2, 3

2. Application of the Relevant Criteria & s. 28D (2) of the Competition Act

Significant Interests

2.1 In accordance with Section 28L of the Competition Act, the Guidelines provide a characterisation of what constitutes a significant interest in a media business – which it states means “[h]as sufficient voting, financial or ownership strength within the relevant media business or media businesses to influence directly or indirectly, to an appreciable extent, the direction or policy of the media business or media businesses with regard in particular to news, current affairs or cultural content. This includes sourcing, production, supply or delivery of such content”. This characterisation further includes indicative thresholds as to what constitutes a significant interest in entities that carry on media businesses in the State, including that:

- (a) A holding or voting strength of between 10% and 19% (directly or indirectly) may constitute a significant interest.
- (b) A holding or voting strength of more than 20% (directly or indirectly) will generally constitute a significant interest.

2.2 The definition of “*plurality of the media*” is provided in the Competition Act and includes both diversity of ownership and diversity of content, both of which are also defined in the Act, as reproduced below:

- (a) Diversity of content – “means the extent to which the broad diversity of views (including diversity of views on news and current affairs) and diversity of cultural interests prevalent in Irish society is reflected through the activities of media businesses in the State including their editorial ethos, content and sources”.

- (b) Diversity of ownership – “means the spread of ownership and control of media businesses in the State linked to the market share of those media businesses as measured by listenership, readership, reach or other appropriate measures”.

The Purchaser:

2.3 As previously stated (par. 1.3) Heinrich Bauer Verlag KG is the ultimate parent company of the Purchaser, as the Purchaser is wholly owned by the parent companies, they will not be considered separately in this assessment.

2.4 [REDACTED]
[REDACTED]¹⁵.

The Target:

2.5 As previously stated (par. 1.8) the Seller is the sole shareholder in the Target.

Impact:

2.6 As can be seen above, there are [REDACTED] who can be said to hold a significant interest in the Purchaser as follows:

[REDACTED]
[REDACTED]

2.7 As the interest held in the Target by the Seller will be extinguished as a result of the Proposed Transaction, it will not be considered further in this examination.

2.8 As a result of the Proposed Transaction [REDACTED]
[REDACTED] will gain a significant interest in the Target.

2.9 The information above does not, in itself, give rise to concerns regarding issues of significant interest in regard to the Proposed Transaction as the Target is not active in any media sector in the State; therefore, the Proposed Transaction will not result in [REDACTED]

¹⁵ M_2022_2 Bauer / MCR notification form p. 7

acquiring a significant interest in any media business or media sector in the State.

Relevant Media Assets

2.10 Relevant media asset is defined by the Guidelines as “*holdings which constitute a significant interest in an undertaking (other than an undertaking party to the merger) that carries on a media business in a media sector(s) in the State, and which are held either by an undertaking party to the merger or by a natural or legal person with a significant interest in an undertaking party to the merger*”.

The Purchaser:

2.11 As previously stated (par. 1.14) the Purchaser operates a number of relevant media assets in the State, as follows:

- (a) Two national radio stations:
 - (i) Today FM
 - (ii) Newstalk¹⁶
- (b) Three local / regional radio stations:
 - (i) 98FM
 - (ii) Spin 1038
 - (iii) Spin SW
- (c) Six websites:
 - (i) todayfm.com
 - (ii) newstalk.com
 - (iii) 98fm.com
 - (iv) spin1038.com

¹⁶ The Parties note (notification form p. 2) that Newstalk is also a provider of wholesale news services to most of the local stations throughout the State.

- (v) spinsouthwest.com
 - (vi) otbsports.com
- (d) Six apps:
- (i) Today FM
 - (ii) Newstalk
 - (iii) 98FM
 - (iv) OTB Sports
 - (v) SPIN
 - (vi) GoLoud
- (e) Multiple podcasts operated by the following entities:
- (i) Today FM
 - (ii) Newstalk
 - (iii) 98FM
 - (iv) OTB Sports
 - (v) Spin 1038
 - (vi) Spin South West
- (f) Multiple social media accounts operated across Facebook, Twitter, Instagram, Tiktok and YouTube by the following entities:
- (i) Today FM
 - (ii) Newstalk
 - (iii) 98FM
 - (iv) Spin 1038
 - (v) Spin SW

(vi) OTB Sports

The Target:

2.12 As previously stated (par. 1.7) the Target is not active in any media sector in the State.

Impact:

2.13 Should the Proposed Transaction proceed the significant interests held in the relevant media assets of the Purchaser will not be altered.

2.14 The information above does not raise concerns regarding the issue of relevant media assets in regard to the Proposed Transaction as the Proposed Transaction will not result in the acquisition or alteration of any significant interest in a media business in the State.

Ownership and Control

Relevant Media Assets:

2.15 [REDACTED] have interests in the Purchaser which constitute significant interests and thus have significant interests in the relevant media assets, identified above (par. 2.11).

Regulatory Oversight:

2.16 The sound broadcasting services operated by the Purchaser through BMA Ireland are licensed and regulated by the Broadcasting Authority of Ireland (BAI) and are subject to the BAI complaints procedure, and to the Codes and Standards set by BAI. Each radio station has an agreed programme policy statement which forms the Station's commitments around programme output¹⁷.

Proposed Changes:

2.17 The Parties have not proposed any changes to the regulatory oversight of the relevant media assets.

Impact:

¹⁷ M_2022_2 Bauer / MCR notification form p. 7, 13

2.18 The information above does not in itself give rise to concerns regarding issues of ownership and control in regard to the Proposed Transaction. The ownership of a number of the relevant media assets identified above, by the interest holders identified above, must be assessed in terms of the market share that these relevant assets possess in their respective sectors and across sectors.

Market Share

2.19 As previously explained (par. 1.7), the Target is not active in any media sector in the State.

2.20 As previously explained (par. 1.14) the above identified relevant media assets of the Purchaser operate in the broadcasting and internet media sectors in the State.

2.21 The Parties have provided radio broadcasting listenership market share data for each of the three geographic markets in which the Purchaser's radio stations operate illustrated by the tables below¹⁸. This data is taken from Tables 5 to 8 of the JNLR / Ipsos MRBI Report into radio listening published on 10 February 2022¹⁹. The data relates to Share of Listening (7am-7pm) and covers the period from May 2021 to December 2021. The Purchaser's radio stations are highlighted in bold.

2.22 Radio broadcasting nationally

¹⁸ M_2022_2 Bauer / MCR notification form p. 9, 10

¹⁹ <https://www.bai.ie/en/category/listenership-figures/>

Stations	All Adults	Adults Aged 15-24	Adults Aged 15-34	Adults Aged 35+
Any RTE Radio	29.8%	18.7%	18%	32.8%
Today FM	8.8%	7.4%	10.4%	8.4%
Newstalk	7.0%	3.6%	5.5%	7.4%
BMA Ireland Total	15.8%	11%	15.9%	15.8%
Other	54.4%	70.3%	66.1%	51.4%
	100%	100%	100%	100%

2.23 Radio broadcasting southwest

Stations	All Adult Listeners Aged 15+	Adults Aged 15-24	Adults Aged 15-34	Adults Aged 35+
Any RTE Radio	22.6%	8.8%	11.8%	24.9%
Today FM	11%	8.0%	14.4%	10.2%
Newstalk	4%	2.2%	4.1%	4%
Spin South West	12.2%	65.1%	45.9%	5.1%
BMA Ireland Total	27.2%	75.3%	64.4%	19.3%
Other	50.2%	15.9%	23.8%	55.8%
	100%	100%	100%	100%

2.24 Radio broadcasting Dublin

Stations	All Adult Listeners Aged 15+	Adults Aged 15-24	Adults Aged 15-34	Adults Aged 35+
Any RTE Radio	38.5%	11.9%	14.9%	44.5%
Today FM	5.5%	3.6%	6.7%	5.2%
Newstalk	11.9%	3.9%	8.3%	12.8%
98FM	6.7%	6.3%	8.8%	6.1%
Spin 103.8	7.3%	46.2%	27.5%	2.3%
BMA Ireland Total	31.4%	60%	51.3%	26.4%
Classic Hits	3.5%	2%	3.3%	3.5%
Radio Nova	5.7%	2.4%	5.4%	5.7%
FM104	7.4%	13.1%	13.1%	5.9%
Q102	5.3%	4.6%	5.0%	5.4%
Sunshine 106.8	7.1%	2.5%	5.7%	7.5%
Other	1.1%	3.5%	1.3%	1.1%
	100%	100%	100%	100%

2.25 The Parties have provided the below data showing average monthly advertising impressions for the podcasts operated by the Purchaser during the time period January 2021 to December 2021²⁰:

Podcast monthly reach by station	Monthly Average for January 2021 – December 2021
Today FM	████████
Newstalk	████████
98FM	████████
OTB Sports	████████
Spin 1038	████████
Spin South West	████████

²⁰ M_2022_2 Bauer / MCR notification form p. 10

2.26 The Parties have provided the data below showing the average monthly page views for the websites operated by the Purchaser²¹.

Website page views by station	Monthly Average for January 2021 – December 2021
Today FM	[REDACTED]
Newstalk	[REDACTED]
98FM	[REDACTED]
OTB Sports	[REDACTED]
Spin 1038	[REDACTED]
Spin South West	[REDACTED]

2.27 The Parties have provided the data below showing the average number of monthly streams on the relevant online live streaming services operated by the Purchaser. Active streams register after 1 minute of uninterrupted listening²².

Active Sessions by station	Monthly Average for January 2021 – December 2021
Today FM	[REDACTED]
Newstalk	[REDACTED]
98FM	[REDACTED]
OTB Sports	[REDACTED]
Spin 1038	[REDACTED]
Spin South West	[REDACTED]

2.28 The Parties have provided the data below showing the number of users of the apps operated by the Purchaser during the month of February 2021,

²¹ M_2022_2 Bauer / MCR notification form p. 11

²² M_2022_2 Bauer / MCR notification form p. 11

which is the most recent data available to the Purchaser at time of notification²³.

App	App users
Today FM	56.7k
Newstalk	75k
98FM	9.5k
OTB Sports	12.6k
SPIN	9.2k
GoLoud	10.4k

Brand & News Reach:

2.29 According to Reuters Digital News Report 2021 for Ireland²⁴ (Reuters Report), when asked for a **traditional** source of news used on more than three days the previous week, 11% of respondents gave Today FM, 9% gave Newstalk, 10% gave any local radio stations, 4% gave any regional radio news and 44% gave RTÉ TV news.

2.30 According to the Reuters Report, when asked for an **online** source of news used on more than three days the previous week, 6% gave any local radio news online, 3% gave Newstalk online, and 30% gave RTÉ news online.

The Views of the Parties:

2.31 The Parties provided the market share data, shown in the tables above, for the relevant media assets in the State.

Impact:

2.32 The information above does not raise concerns regarding market share in relation to the Proposed Transaction as there will be no change in

²³ M_2022_2 Bauer / MCR notification form p. 12-13

²⁴ A copy of the Reuters Report can be found [here](#).

ownership or control of the relevant media assets identified above; therefore, there will be no change in the market share breakdown within any media sector in the State as a result of the Proposed Transaction.

Governance and Editorial Management

2.33 The personnel involved in the editorial control of each of the Purchaser's media businesses are as follows²⁵:

- (a) Newstalk
 - Managing Editor – Patricia Monahan
 - News Director – John Keogh
 - Senior Programme Editor – Mark Simpson
 - Senior Programme Editor – Eric Moylan
- (b) Today FM
 - Programme Director – James Brownlow
 - Assistant Programme Director – John Caddell
 - Editor The Last Word – Matt Cooper
- (c) 98FM
 - Programme Director – James Brownlow
 - Assistant Programme Director – Pat Gill
- (d) SPIN 1038
 - Programme Director – James Brownlow
 - Assistant Programme Director – Nick Karkaziz
- (e) SPIN South West
 - Content Controller – Eoin Fitzgerald
- (f) OTB Sports
 - Managing Editor – Ger Gilroy
 - Head of Content – Nathan Murphy

Compliance and Ethics:

2.34 As previously stated (par. 2.16), the sound broadcasting services operated by the Purchaser through BMA Ireland are licensed and regulated by BAI and are subject to the BAI complaints procedure, and to the Codes and Standards set by BAI. Each radio station has an agreed programme policy statement which forms the Station's commitments around programme output.

Editorial Ethos:

²⁵ M_2022_2 Bauer / MCR notification form p. 15

2.35 Regarding the relevant media assets the Parties state the following²⁶:

“Editorial integrity and independence is central to BMA Ireland operations. The above-named editors operate independently of financiers, investors or shareholders. Further, BMA Ireland’s Editorial Guidelines apply to all employees.

In all the BMA Ireland radio stations, production teams for individual programmes operate autonomously and host daily meetings for production and forward planning. In these meetings, the programme team of researchers and producers bring forward suggested stories / topics and pitch them to be covered on the programme including proposed guests and contributors. These topics are discussed and merits assessed with a decision made by the senior producer to further research and then bring the item to air.

In Newstalk, senior editors are responsible for assigning programme reporter resources to stories following pitches from senior producers. These senior editors also provide editorial oversight to a number of programmes to ensure quality control and that content is compliant, in keeping with the station’s content strategy and delivering on statutory commitments. Additionally, editors also provide support and guidance to programme teams and are available to provide advice on any legal issues that may arise.

On weekdays, two editorial meetings are held daily at 8am and 2pm for Newstalk. These meetings are attended by senior producers, a senior editor and a newsroom editor. These meetings serve to update all on news diaries, expected progression in stories and allow teams to outline their plans for upcoming programmes to ensure awareness among programmes and remove any duplication of topics or guests.

In the newsroom, dedicated correspondents for politics and courts are assigned to stories in their areas of specialism. The choice of stories covered and resources assigned are decisions made by the news editor on

²⁶ M_2022_2 Bauer / MCR notification form p. 16

duty and at a daily meeting held at 11am, reporters are assigned based on planned and expected news events and breaking news.”

Impact:

2.36 The information above does not raise concerns regarding governance or editorial management in relation to the Proposed Transaction.

Content – Diversity

The Purchaser:

2.37 The Parties have provided a breakdown of the content provided by each of the relevant media assets as follows²⁷:

	Today FM	Newstalk	98FM	Spin 1038	Spin SW	Off The Ball
Advertising	████	████	████	████	████	████
Regional Stories	████	████	████	████	████	████
Local Stories	████	████	████	████	████	████
National Stories	████	████	████	████	████	████
International Stories	████	████	████	████	████	████
News	████	████	████	████	████	████
Current Affairs	████	████	████	████	████	████
Sport	████	████	████	████	████	████
Music	████	████	████	████	████	████
Drama	████	████	████	████	████	████
Entertainment	████	████	████	████	████	████
Audience Participation	████	████	████	████	████	████
Irish Language	████	████	████	████	████	████
Minority Interests	████	████	████	████	████	████
Cross Media Content	████	████	████	████	████	████

²⁷ M_2022_2 Bauer / MCR notification form p. 17

The Target:

2.38 As previously stated (par. 1.15), the Target is not active in any media sector in the State.

Alternative Content:

2.39 Information regarding alternative content was provided in a previous media merger notification made by the Purchaser. In this regard the following information has been provided previously²⁸:

“Alternative content provided includes, amongst others:

Radio: RTE National Radio Services and RTE Digital and Online Services, Regional and local radio stations in each county in Ireland

Newspapers & News Websites: Irish Times, Irish Independent, Sunday Times, Sunday Independent, Sunday Business Post, Irish Examiner, The Star, Irish Sun, Evening Herald, Daily Mail, Irish Mirror, Sunday World.

Local & Regional Newspapers: in each county of Ireland

Television: RTE, TG4 and Virgin Media

Online & Digital Publishers: RTE.ie, The Journal.ie, Joe.ie, Her.ie and Evoke.”

The Views of the Parties:

2.40 The Parties state the following²⁹:

“As reflected in Section 1.1 above, the Target is not active in the State and this Notification is of a purely technical nature, arising only by virtue of the activities of the Target outside the State. Accordingly, the Parties submit that the Proposed Transaction would clearly have no adverse effect on plurality of the media in the State.”

Impact:

²⁸ M_2021_1 Bauer Media / Communicorp Phase 1 Assessment

²⁹ M_2022_2 Bauer / MCR notification form p. 19

2.41 The information above does not raise concerns regarding diversity of content, particularly news and current affairs, in relation to the Proposed Transaction. Therefore, it is unlikely that the Proposed Transaction will in this regard have an adverse impact on the plurality of the media in the State.

Financial

Proposed Transaction Structure:

2.42 The Parties have provided the Share Purchase Agreement, dated 3 February 2022, which sets out the terms of the Proposed Transaction³⁰.

2.43 As consideration for the Target the Purchaser will pay xxxxxxxxxxxxxxxx, [REDACTED]³¹.

2.44 [REDACTED]
[REDACTED]³².

The Purchaser:

2.45 For the financial year ended 31 December 2020, Heinrich Bauer Verlag KG's worldwide turnover was, approximately, [REDACTED]³³.

2.46 For the year ended 31 December 2020, Heinrich Bauer Verlag KG [REDACTED]
[REDACTED]
[REDACTED]³⁴.

The Target:

2.47 The table below shows the net earnings for the year ended 31 December 2020 and the total equity at 31 December 2020 for each the Target and the Target's subsidiaries³⁵.

Balance sheet as at 31 December 2020	Net earnings for the period (Euros)	Total Equity (Euros)
--------------------------------------	-------------------------------------	----------------------

³⁰ Annex A to the notification form - Share Purchase Agreement

³¹ Annex A to the notification form - Share Purchase Agreement

³² M_2022_2 Bauer / MCR notification form p. 19

³³ M_2022_2 Bauer / MCR notification form p. 19

³⁴ Heinrich Bauer Verlag KG consolidated balance sheet at 31 December 2020

³⁵ Annex F to the notification form – Balance sheets for each of the Target and its subsidiaries for the years ended 31 December 2019 and 2020.

MCR II - Media Capital Radios, S.A.	████████	████████
Rádio Regional de Lisboa, S.A.	████████	████████
Rádio Litoral Centro, Lda	██████	██████
P.R.C. - Produções Radiofónicas de Coimbra Lda	██████	██████
Leirimédia - Produções e Publicidade, Lda	██████	██████
Moliceiro - Comunicação Social, Unipessoal, Lda	██████	██████
Notimaia - Publicações e Comunicação, Unipessoal, Lda	██████	██████
R.C. - Empresa de Radiodifusão, Unipessoal, Lda	██████	██████
Rádio Comercial, S.A.	████████	████████
Rádio XXI, Lda	██████	██████
Rádio Nacional - Emissões de Radiodifusão - Unipessoal Lda	██████	██████
Coco - Companhia de Comunicação, Unipessoal, Lda	██████	██████
R. Cidade, Lda.	████████	████████
Drums - Comunicações Sonoras, Unipessoal Lda	██████	██████
R 2000 - Comunicação Social, Lda	██████	██████

The Views of the Parties:

2.48 The Parties state the following³⁶:

“Bauer makes substantial profits each year across its businesses and invests to maintain and grow those businesses. [REDACTED]

[REDACTED]

Accordingly, following the Proposed Transaction, the Target will become a subsidiary of a company [REDACTED] [REDACTED] such that the Target’s financial position will be very secure.”

Impact:

2.49 The information above does not raise concerns regarding finance in relation to the Proposed Transaction as the Proposed Transaction meets the requirements in respect of the financial sustainability of the post-merger business and [REDACTED]

Impact on the Irish Language

2.50 There is no intended change to the provision of Irish language content provided by the relevant media assets as a result of the Proposed Transaction.

Impact:

2.51 The information above does not raise concerns regarding the impact on the Irish language of the Proposed Transaction.

The scale and reach of RTÉ and TG4

2.52 RTÉ is active in the sound broadcasting and internet media sectors through the provision of the following media assets³⁷:

³⁶ M_2022_2 Bauer / MCR notification form p. 19

³⁷ RTÉ.ie

- RTÉ Radio 1
- RTÉ 2fm
- RTÉ lyric fm
- RTÉ Raidió na Gaeltachta
- Digital Radio
- RTÉ Radio Player (on-demand radio service)
- RTÉ.ie
- RTÉ Player
- RTÉ News Now App

2.53 According to RTÉ's 2020 annual report³⁸, RTÉ's weekly radio listeners were over 2m and the RTÉ player had 67.5m streams.

2.54 According to the Reuters Report, when asked for a traditional source of news used on more than three days the previous week 20% of respondents gave RTÉ radio news.

2.55 According to the Reuters Report, when asked for an online source of news used on more than three days the previous week 21% of respondents gave RTÉ news online.

2.56 TG4 is active in the internet media sector through the provision of its website www.TG4.ie.

2.57 According to TG4's 2020 annual report³⁹ TG4's player views and social media engagement grew 60% and 158% respectively. There was also an increase of 164% in video views on Bloc, TG4's social media platform for younger audiences and an increase in streams of 34% on Cúla 4 player, TG4's player for children's audiences.

Impact:

2.58 The information above does not raise concerns regarding any detrimental impact to the pluralistic nature of RTÉ or TG4 in relation to the Proposed Transaction. Therefore, it is unlikely that the Proposed Transaction will, in this regard, have an adverse impact on the plurality of the media in the State in terms of the scale and reach of RTÉ and TG4 and therefore the adequacy

³⁸ <https://www.rte.ie/annual-report-2020/business-review/the-year-in-numbers.html>

³⁹ <https://d1og0s8nlbdohm.cloudfront.net/tg4-redesign-2015/wp-content/uploads/2021/10/TG4-Tuarascail-20-B.pdf>

of the public service broadcasters is not affected by the Proposed Transaction.

The Views of the CCPC

2.59 The Proposed Transaction was notified to the CCPC on 17 February 2022 and was cleared unconditionally by the CCPC on 3 March 2022. The CCPC's determination states the following⁴⁰:

“The Competition and Consumer Protection Commission, in accordance with section 21(2)(a) of the Competition Act 2002, as amended, has determined that, in its opinion, the result of the proposed acquisition, whereby Bauer Media Audio Holding GmbH, a subsidiary of Heinrich Bauer Verlag KG, would acquire sole control of MCR II – Media Capital Rádios, S.A., will not be to substantially lessen competition in any market for goods or services in the State, and, accordingly, that the acquisition may be put into effect, subject to the provisions of section 28C(1) of the Competition Act 2002, as amended...”

The Views of the Parties:

2.60 The Parties note the CCPC decision and included a link to the CCPC's merger announcement in the notification form⁴¹.

The Overall Views of the Undertakings Involved

2.61 The Purchaser states the following⁴²:

“It is the intention that post transaction, the Target will be run as a separate Business Unit within the Bauer Media Audio Business Area. As detailed in section 1.1, Bauer Media Audio is one of Bauer's four business areas.

It is intended that the Target's radio stations will continue to operate in Portugal. The Purchaser confirms that the Proposed Transaction will not have any effect on its media business in the State.”

⁴⁰ The CCPC's Determination in case M/22/008 which can be found [here](#).

⁴¹ M_2022_2 Bauer / MCR notification form p. 1

⁴² M_2022_2 Bauer / MCR notification form p. 20

3. Summary of the Application of the Relevant Criteria & s. 28D(2) of the Competition Act

3.1 This examination, in accordance with s. 28D(2) of Part 3A of the Competition Act, was conducted with regard to the following:

- The “*relevant criteria*” as set out in s. 28A of the Competition Act.
- The Guidelines on Media Mergers issued in accordance with s. 28L of the Competition Act.
- The Notification Form and other information provided by the Parties to the proposed media merger.
- The Views of the Competition & Consumer Protection Commission (CCPC) in relation to the proposed media merger.
- Relevant research conducted by the BAI under s. 28M of the Competition Act.

3.2 Furthermore, this examination considered the following indicators in the application of the “*relevant criteria*” and with regard to s. 28D(2):

- **Significant Interest** – [REDACTED] are deemed to have a significant interest in the Purchaser. Should the Proposed Transaction proceed, Heinz Heinrich Bauer and Yvonne Bauer will gain a significant interest in the Target.

The information in this section does not, in itself, give rise to concerns regarding issues of significant interest in regard to the Proposed Transaction as the Target is not active in any media sector in the State; therefore, the Proposed Transaction will not result in [REDACTED] acquiring a significant interest in any media business or media sector in the State.

- **Relevant Media Assets** – The relevant media assets to be considered in this examination are identified as follows:
 - Two national radio stations:
 - Today FM
 - Newstalk
 - Three local / regional radio stations:
 - 98FM
 - Spin 1038
 - Spin SW
 - Six websites:
 - todayfm.com
 - newstalk.com
 - 98fm.com
 - spin1038.com
 - spinsouthwest.com
 - otbsports.com
 - Six apps:
 - Today FM
 - Newstalk
 - 98FM
 - OTB Sports
 - SPIN
 - GoLoud
 - Multiple podcasts operated by the following entities:
 - Today FM
 - Newstalk
 - 98FM
 - OTB Sports
 - Spin 1038
 - Spin South West
 - Multiple social media accounts operated across Facebook, Twitter, Instagram, Tiktok and YouTube by the following entities:

- Today FM
- Newstalk
- 98FM
- Spin 1038
- Spin SW
- OTB Sports

The information in this section does not raise concerns regarding the issue of relevant media assets in regard to the Proposed Transaction as the Proposed Transaction will not result in the acquisition or alteration of any significant interest in a media business in the State.

- **Ownership and Control** – The ownership and control arrangements of the relevant media assets identified are examined in this section, as are the regulatory regimes in place regarding the relevant media assets.

The information in this section does not in itself give rise to concerns regarding issues of ownership and control in regard to the Proposed Transaction. The ownership of a number of the relevant media assets identified above, by the interest holders identified above, must be assessed in terms of the market share that these relevant assets possess in their respective sectors and across sectors.

- **Market Share** – The market shares of the various relevant media assets identified earlier in this examination are analysed.

The information in this section does not raise concerns regarding market share in relation to the Proposed Transaction as there will be no change in ownership or control of the relevant media assets identified above; therefore, there will be no change in the market share breakdown within any media sector in the State as a result of the Proposed Transaction.

- **Governance & Editorial Management** – The current governance and editorial regimes of the relevant media assets are analysed in this section. The information does not raise concerns

regarding governance and editorial management in relation to the Proposed Transaction.

- **Content – Diversity** – A high level breakdown of the type of content provided by the relevant media assets is provided in this section. Alternative news content is examined in the News and Brand Reach section. The information in this section does not raise concerns regarding the diversity of content available in the State.
- **Financial** – The financial structure of the Proposed Transaction and the financial standings of the Parties are examined.

The information does not raise concerns regarding finance in relation to the Proposed Transaction as the Proposed Transaction meets the requirements in respect of the financial sustainability of the post-merger business and [REDACTED].

- **Impact on the Irish Language** – The Parties' intention with regard to the provision of Irish language content is examined. The information does not appear to raise concerns regarding the impact on the Irish language of the Proposed Transaction.
- **The Scale and Reach of RTÉ and TG4** – The potential impact of the Proposed Transaction on the Public Service Broadcasters, RTÉ and TG4, is analysed.

The information does not appear to raise concerns regarding the impact on the adequacy of the public service broadcasters in ensuring the plurality of the media in the State. Therefore, it is unlikely that the Proposed Transaction will, in this regard, have an adverse impact on the plurality of the media in the State.

- **Views of the CCPC** – The views of the CCPC regarding the competition element of the Proposed Transaction are noted.
- **Views of the Parties** – The views of the Parties are noted and considered throughout this assessment, generally, and specifically

in the relevant sections, and where appropriate, responses are provided.

4. Conclusion

- 4.1 In light of the notification, and other materials supplied by the Parties to the Proposed Transaction as considered with regard to the matters the Minister shall have regard to under s. 28D of the Competition Act, including the ‘*relevant criteria*’ as set out in Part 3A of the Competition Act, the Guidelines published by the Minister under s. 28L of the same Act, as considered by the Department in this assessment, it is recommended that the Proposed Transaction should be permitted to be put into effect.
- 4.2 The following are the major factors informing the recommendation:
- (a) The Proposed Transaction will not result in the acquisition or alteration of any significant interest holding in a media business in the State.
 - (b) The Proposed Transaction will not result in any change in the market share breakdown within any media sector in the State.
 - (c) The Proposed Transaction meets the requirements in respect of the financial sustainability of the post-merger business and [REDACTED].
- 4.3 In light of the above, it is considered that, on balance, the Proposed Transaction is not contrary to the public interest in protecting media plurality in the State and may be permitted to be put into effect.