



Determination No. M/05/053 of the Competition Authority, dated 19th September 2005, under Section 21 of the Competition Act, 2002

Notification No. M/05/053 – Proposed acquisition by General Electric Company of Business News (Europe) Partnership, Business News (Asia) pte, and CNBC World LLC

Introduction

1. On 19th August 2005, the Competition Authority, in accordance with Section 18(1) of the Competition Act, 2002 (“the Act”) was notified, on a mandatory basis, of a proposal whereby General Electric Company (“GE”) , through its subsidiary NBC Universal, Inc. (“NBC”), would acquire all of the shares or interests, as the case may be, of three companies from Dow Jones & Company and its affiliated companies (“Dow Jones”): a) Business News (Europe) Partnership, (“CNBC Europe”); b) Business News (Asia) pte, (“CNBC Asia”); and c) CNBC World LLC, (“CNBC World”). CNBC Europe, CNBC Asia, and CNBC World are collectively referred to herein as “CNBC”.

2. The Authority advised the parties and the Minister that it considers the transaction to be a “media merger”, within the meaning of Section 23 (11) (a) of the Act since CNBC is deemed to be *“supplying a compilation of programme material for the purpose of its being transmitted or relayed as a broadcasting service”*.

The Parties

3. GE is a global diversified technology and services company involved in many fields including aircraft engines, lighting, financial services, healthcare, medial systems and consumer finance. GE owns 80% of NBC, a major United States-based network television broadcaster that is active in the development, production, and marketing of entertainment, news, and information to a global audience. Vivendi Universal SA owns the remaining 20% of NBC.

4. GE had worldwide turnover in 2004 of approximately €124 billion (USD\$152.4 billion), of which approximately [] was in the State.

5. CNBC had consolidated worldwide turnover in 2004 of approximately [].

6. As it relates to the State, CNBC, through CNBC Europe, had turnover of approximately [] in the State, primarily as a result of “pay-TV” subscribers located in the State. As described in the notification CNBC Europe is a media company engaged in the production of business and financial news and television programming in Europe. CNBC Europe is also active in entertainment and informative programming. NBC owns a 50% interest in CNBC Europe, with Dow Jones owning the remaining 50%.

7. CNBC Asia and CNBC World are engaged in the same activities in CNBC Europe in their respective regions (i.e., respectively, in Asia and the United States). NBC has a 50% and 75% ownership interest, respectively, in CNBC Asia and CNBC World, with Dow Jones having the remaining ownership in both companies.

The Transaction



The Competition Authority
An tÚdarás Iomaíochta

8. This transaction represents a change from joint ownership, by GE and Dow Jones, of CNBC Europe and CNBC Asia, to sole control of both by GE through its wholly owned subsidiary NBC. In addition GE will increase its shareholding of CNBC World from 75% to 100%. The purchase price for the shares each of CNBC Europe and CNBC Asia is [] CNBC World.

9. The transaction has also been notified to the competition authorities in Germany, Italy and Norway.

Analysis

10. There is no overlap (save the current joint ownership) between the activities of GE and CNBC Europe in the State. The proposed acquisition will simply result in a change from joint to sole control by the acquiring company. There will be no effect from this acquisition on the market structure or market share of CNBC Europe in the State. Likewise there will be no change in concentration.

11. The proposed transaction does not give rise to any competition concerns.

Determination

12. The Competition Authority, in accordance with Section 21(2) of the Competition Act, 2002, has determined that, in its opinion, the result of the proposed acquisition of Business News (Europe) Partnership, Business News (Asia) pte, and CNBC World LLC by General Electric Company, through its subsidiary NBC Universal, Inc., will not be to substantially lessen competition in markets for goods and services in the State and, accordingly, that the acquisition may be put into effect.

For the Competition Authority

Edward Henneberry
Member of the Competition Authority