



DETERMINATION OF MERGER NOTIFICATION M/06/024 – CVC/ALLSPORT

Section 21 of the Competition Act 2002

Proposed acquisition by the CVC Group of Allsport Management S.A.

DATED 27/04/06

Introduction

1. On 12th April 2006 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 Beta Topco 2 Limited (“Beta”) would acquire Allsport Management S.A. (“ASM”).

The Undertakings Involved

2. Beta is a special purpose vehicle controlled by an investment fund (“CVC Fund IV”), which is managed and advised by subsidiaries and/or affiliates of CVC Capital Partners Group Sarl (“CVC”). The current worldwide turnover of the CVC group is €[less than 50 billion], of which c.€[less than 500 million] is generated in Ireland. The CVC group consists of privately owned advisory bodies whose activity is providing investment advice to and/or managing investments on behalf of investment funds. CVC Fund IV recently acquired control of the Formula One group of companies. The latter does not host events in the State.
3. ASM is a Swiss company which provides corporate hospitality at Formula One events. ASM manages and markets the Paddock Club hospitality area, a suite that is set up at all FIA Formula One World Championship Grands Prix. Additionally, with the consent of the Allsopp Parker & Marsh Group¹, ASM also contracts directly with advertisers and/or race sponsors for trackside advertising and race sponsorship. In 2005, this related to two advertisers/sponsors only. ASM’s worldwide turnover was €[less than 500 million] in the last financial year, of which €[less than 1 million] was generated from sales to Irish customers. These sales relate to Formula One events taking place outside of the State.

Analysis

4. No FIA Formula One World Championship Grand Prix event takes place in the State. There is, consequently, no overlap in the State between the

¹ A second transaction will take place concurrently to the acquisition of ASM, in which Beta will indirectly acquire all of the issued share capital of Allsopp Parker & Marsh (Ireland) Limited (“APMI”) and APM Limited, and certain agreed assets of the APM Group Limited (all together the APM Business) relating to the business carried on in respect of the acquisition and exploitation of rights in relation to Formula One motor racing. This separate transaction has not been notified to the Authority as the APM Business does not carry on business in the island of Ireland.

activities of CVC's companies and the activities of ASM. Therefore, the transaction does not give rise to competition concerns.

Determination

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 by the CVC Group of Allsport Management S.A. 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

Dr. Paul K. Gorecki
Member of the Competition Authority