



## **DETERMINATION OF MERGER NOTIFICATION M/06/079 – GUARDIAN MEDIA GROUP/CENTURY RADIO**

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### **Section 21 of the Competition Act 2002**

#### **Proposed acquisition of by Guardian Media Group plc of Century Radio Limited and Century Radio 105 Limited**

**Dated 6/12/06**

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#### **Introduction**

1. On 17 November 2006 the Competition Authority (“the Authority”), in accordance with Section 18 (1) (b) of the Competition Act, 2002 (“the Act”) was notified, on a mandatory basis, of a proposed acquisition by Guardian Media Group plc (“GMG”) of Century Radio Limited and Century Radio 105 Limited (together “Century Radio”).
2. On the basis that GMG is a publisher of newspapers or periodicals which are sold in the State which consist substantially of news and comment on current affairs, the Competition Authority advised the undertakings involved and the Minister that it considered the proposed transaction to be a “media merger” within the meaning of Section 23 of the Act.

#### **The Undertakings Involved**

3. GMG, the acquirer, is a UK based multi-media organisation with interests in national newspapers, regional newspapers, magazines, radio and internet businesses. The company is wholly-owned by the Scott-Trust, which was created in 1936 to secure the financial and editorial independence of the Guardian in perpetuity. In the financial year ended 2 April 2006 GMG had a worldwide turnover of €1.036 billion.
4. GMG’s activities in the State are mainly conducted through its Trader Media Group (“TMG”) division. TMG publishes Autotrader, a weekly advertising-only publication dedicated to motor vehicles. TMG also operates two websites advertising motor vehicles for sale, autotrader.ie and carzone.ie, and a website design service for motor dealers. GMG is also active in the State through the sale of its two UK national newspapers, The Guardian and The Observer. During the financial year ended 2 April 2006 GMG generated turnover in the State of €[.] million.
5. Century Radio, the target, operates two regional radio stations, 100-102 Century FM and Century 105.4 (Manchester), which broadcast across the North-East and North-West of England, respectively. Century Radio is a wholly owned subsidiary of GCap Media plc, a major UK radio group, which was formed in May 2005 through the merger of GWR Group plc and Capital Radio plc.

6. For the eighteen month period, ending 31 March 2006, Century Radio had aggregate worldwide turnover of £20.3 million. Century Radio has no activities in the State and does not generate turnover in the State.

#### **Analysis**

7. Since Century Radio does not have activities in the State or the island of Ireland the activities of the undertakings involved do not overlap in the State.<sup>1</sup> The Authority is of the view that the proposed transaction does not give rise to any competition concerns.

#### **Determination**

The Competition Authority, in accordance with Section 21(2)(a) of the Act, has determined that, in its opinion, the result of the proposed acquisition by Guardian Media Group plc of Century Radio Limited and Century Radio 105 Limited 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 subject to the provisions of Section 23(9)(a) of the Act.

#### **For the Competition Authority**

Dr. Paul K Gorecki  
Member of the Competition Authority

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<sup>1</sup> The proposed acquisition was notified to the Authority because it is a "media merger", as defined in Section 23 of the Act. Media mergers are a class of transaction that fall within Section 18 (1) (b) of the Act and which are not subject to the turnover thresholds set out in Section 18 (1) (a). A media merger must be notified to the Authority when at least one of the undertakings involved carries on a "media business" in the State as defined in Section 23 of the Act.