



DETERMINATION OF MERGER NOTIFICATION

M/06/005 – Emap/ Cafeslim

Section 21 of the Competition Act 2002

Proposed acquisition by Emap plc of CaféSlim Limited (in liquidation)

Dated 23/02/06

Introduction

1. On 23 January 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 Emap plc (“Emap”) would acquire the business and assets of Cafeslim Limited (in liquidation) (“Cafeslim”).
2. The Authority forwarded a copy of the notification to the Minister of Enterprise Trade and Employment and notified the undertakings involved that it considers the acquisition to be a media merger, in accordance with section 23(1) of the Act.

The Undertakings

3. Emap is a wholly-owned subsidiary of Emap plc. Emap comprises the majority of Emap plc’s magazine portfolio in the United Kingdom and overseas with the exception of France.
4. Emap plc is a broad-based media group, located in the United Kingdom, operating in radio and television broadcasting, print media such as consumer magazines and B-2-B (Business-to-Business) communications providing services in relation to exhibitions, events and information products in five sectors (retail, constructions, public sector, healthcare and media).
5. In the State, Emap plc provides several products and services, namely:
 - national and local commercial radio broadcasting services through TodayFM, Highland Radio and FM104¹;

¹ In 2005, Emap acquired Scottish Radio Holdings’ radio broadcasting services in Ireland. The transaction was subject to mandatory notification to the Authority and was cleared in M/05/035 on 28 July 2005.

- the distribution via wholesalers of certain of its consumer magazines from which it derived [€] for the period April 2004 to March 2005;
 - the sale of advertising space from which it derived [€] in 2004; and
 - the supply of certain of its digital music television channels to Chorus Ireland and ntl which amounted to [€]for the year ended 31 March 2005.
6. Cafeslim, the target, is a company incorporated in the State providing online weight management solutions. It offers weight management programmes to customers wishing to manage their weight online through two websites: www.cafeslim.co.uk and www.cafeslim.ie.
 7. For 2004, Cafeslim's worldwide turnover was [€]of which an estimated 40% (around [€]) derived from sales to customers in the State.
 8. On 01 September 2005, following a resolution of the members of Cafeslim, the company was wound up and a liquidator was appointed.

The Transaction

9. The transaction will enable Emap to provide online weight management solutions to its customers.

Analysis

10. Emap, the acquirer is active in radio broadcasting, sales of consumer magazines and advertising and provides services in relation to B-2-B, events, and exhibition and information products.
11. Cafeslim, the target, provides online weight management solutions.
12. There is no overlap in the activities of the Undertakings to the Transaction in the State and consequently no competition concerns arise.

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 Emap Consumer Media Limited of Cafeslim Limited (in liquidation) 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 Competition Act 2002

For the Competition Authority

Dr. Paul K. Gorecki
Member of the Competition Authority