

REFERENCE RELATING TO THE COMPLETED ACQUISITION BY VTECH HOLDINGS LIMITED OF LEAPFROG ENTERPRISES, INC.

Notice of provisional findings made under Rule 11.3 of the Competition and Markets Authority Rules of Procedure¹

1. On 30 August 2016, the Competition and Markets Authority (CMA), made a reference to its chair for the constitution of a Group of CMA panel members (the Inquiry Group)² in accordance with section 22 of the Enterprise Act 2002 (the Act), regarding the completed acquisition by VTech Holdings Limited (VTech) of LeapFrog Enterprises, Inc. (LeapFrog) and requiring it to report within a period ending on 13 February 2017.

Provisional findings

2. The Inquiry Group appointed to consider this reference has made the following provisional findings on the statutory questions it has to decide pursuant to section 35(1) of the Act:
 - (a) the acquisition by VTech of LeapFrog has resulted in the creation of a relevant merger situation; and
 - (b) the creation of that situation has not resulted, and may not be expected to result, in a substantial lessening of competition in any of the markets considered in this inquiry.
3. The Inquiry Group's reasons are set out in full in the provisional findings report, which is attached to this notice, and are summarised in the summary of the provisional findings report (see note below).

The next steps

4. Anyone wishing to comment on the provisional findings is now invited to provide the Inquiry Group with their reasons in writing as to why these

¹ See [Rules of procedure for merger, market and special reference groups: CMA17](#).

² Under Schedule 4 to the Enterprise and Regulatory Reform Act 2013.

provisional findings should not become final (or, as the case may be, should be varied).

5. These reasons should be received by the Inquiry Group no later than 12 noon on 4 January 2017.
6. The Inquiry Group will have regard to any such reasons in making its final decisions on the statutory questions and actions.

(signed) Philip Marsden

Inquiry Group Chair

9 December 2016

Note: A copy of this notice and the summary of the provisional findings report will be placed on the CMA website on 9 December 2016. The CMA proposes to publish the provisional findings report on its website by 9 December 2016. The published version of the provisional findings report will not contain any information which the Inquiry Group considers should be excluded from the report, having regard to the three considerations set out in section 244 of the Act. These omissions are indicated by [✂].

Comments should be made by email to vtech.leapfrog@cma.gsi.gov.uk or in writing to:

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VTech/LeapFrog merger inquiry
Competition and Markets Authority
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