

Anticipated acquisition by LN-Gaiety Holdings Limited of MCD Productions Unlimited Company

Appendix A: Terms of reference and conduct of the inquiry

Terms of reference

1. In exercise of its duty under section 33(1) of the Enterprise Act 2002 (the **Act**) the Competition and Markets Authority (**CMA**) believes that it is or may be the case that:
 - (a) arrangements are in progress or in contemplation which, if carried into effect, will result in the creation of a relevant merger situation, in that:
 - (i) enterprises carried on by LN-Gaiety Holdings Limited (**LN-Gaiety**) will cease to be distinct from enterprises carried on by MCD Productions Unlimited Company (**MCD**); and
 - (ii) the condition specified in section 23(2)(b) of the Act is satisfied; and
 - (b) the creation of that situation may be expected to result in a substantial lessening of competition within a market or markets in the United Kingdom for goods or services including the promotion of live music events with over 1,000 tickets capacity on the island of Ireland, including in Northern Ireland.
2. Therefore, in exercise of its duty under section 33(1) of the Act, the CMA hereby makes a reference to its chair for the constitution of a group under Schedule 4 to the Enterprise and Regulatory Reform Act 2013 in order that the group may investigate and report, within a period ending on 8 January 2020, on the following questions in accordance with section 36(1) of the Act:
 - (a) whether arrangements are in progress or in contemplation which, if carried into effect, will result in the creation of a relevant merger situation; and
 - (b) if so, whether the creation of that situation may be expected to result in a substantial lessening of competition within any market or markets in the United Kingdom for goods or services.

Joel Bamford
Senior Director, Mergers
Competition and Markets Authority
25 July 2019

Conduct of the inquiry

1. We published the biographies of the [members of the inquiry group](#) conducting the inquiry on 25 July 2019 and we published the [administrative timetable](#) for the investigation on our webpage on 2 August 2019. This was updated on 15 October 2019.
2. On 9 August 2019, we published an [issues statement](#) on our webpage, setting out the areas on which the inquiry would focus.
3. On 21 August 2019, members of the inquiry group, accompanied by staff, visited the premises of Ticket Shop (N.I.) Ltd (**Ticketmaster**) and MCD in Dublin.
4. We invited a wide range of interested parties to comment on the Proposed Merger. We conducted telephone interviews with a number of customers and competitors of the Parties. Evidence was also obtained through further written requests. We also used evidence from the CMA's phase 1 investigation into the Proposed Merger.
5. We received written evidence from the Parties and a non-confidential version of their response to the phase 1 decision is on the [case page](#). We also held a hearing with the Parties on 11 October 2019.
6. In the course of our investigation we sent the Parties a number of working papers.
7. On 7 November 2019, we published a notice of Provisional Findings and a summary of our Provisional Findings on the inquiry webpage. A non-confidential version of our Provisional Findings was published on the inquiry webpage on 8 November 2019. A non-confidential version of the Parties' response to our Provisional Findings has been published on the inquiry webpage.
8. We would like to thank those who have assisted us in our inquiry.

Glossary and list of Companies

CMA	Competition and Markets Authority
Ireland	The island of Ireland (ie the Republic of Ireland and Northern Ireland)
Live Music Event	Live music event in Ireland with a capacity of over 1,000 tickets, seated or standing, excluding festivals
Merged Entity	LN-Gaiety together with its parent companies Live Nation and Gaiety , and MCD , on completion of the Proposed Merger
Net Event Profits	The profits to be split between a promoter and artist, representing the revenues that would be earned from a sold out Live Music Event at ticket face value, minus the costs of organising the event.
SLC	Substantial Lessening of Competition
The Act	The Enterprise Act 2002
The Parties	LN-Gaiety together with its parent companies Live Nation and Gaiety , and MCD .
The Proposed Merger	The anticipated acquisition by LN-Gaiety of MCD
provider of Ticketing Services	A provider of ticketing services (primary, not secondary)
UK	United Kingdom

Companies and businesses included in the Provisional Findings Report

AEG	AEG Presents Limited. An international live music promoter.
Aiken	Aiken Promotions Limited. A live music promoter in Ireland.
AXS	AXS Europe Limited. An international provider of Ticketing Services.

BGE Theatre	Bord Gáis Energy Theatre. A venue in Ireland.
CTS Eventim	CTS Eventim AG & Co. An international live music promoter and provider of Ticketing Services.
Gaiety	Gaiety Investments Unlimited Company.
Live Nation	Live Nation Entertainment, Inc. An international live music promoter, venue operator, provider of Ticketing Services and artist management agent.
Live Nation UK	Live Nation (Music) UK Limited. UK subsidiary of Live Nation.
LN-Gaiety	LN-Gaiety Holdings Limited. Joint venture between Live Nation and Gaiety.
MCD	MCD Productions Unlimited Company. Live music promoter in Ireland.
Pat Egan	Pat Egan Management. Live music promoter in Ireland.
POD	POD Concerts Limited. Live music promoter in Ireland.
RBB	RBB Economics. Economic advisors to the Parties.
See Tickets	See Group Limited. International provider of Ticketing Services.
SSE Arena	SSE Arena in Belfast. Indoor venue in Northern Ireland.
Ticketmaster	All businesses owned by Live Nation or its subsidiaries which provide Ticketing Services to consumers in Ireland under the ‘Ticketmaster’ brand, including Ticket Shop (N.I.) Ltd.
Tickets.ie	Oshi Software Limited. Provider of Ticketing Services in Ireland.
Ticketweb	Ticketline Incorporated (Republic of Ireland), and Ticketshop Limited (Northern Ireland). Ticketmaster’s self-service software arm.