

**DEROGATION LETTER  
IN RESPECT OF INITIAL ENFORCEMENT ORDERS ISSUED  
PURSUANT TO SECTION 72(2) ENTERPRISE ACT 2002**

**Consent under section 72(3C) of the Enterprise Act 2002 to certain actions for the purposes of the Initial Enforcement Order made by the Competition and Markets Authority ('CMA') on 9 June 2020**

**Completed acquisition by Facebook, Inc. (now Meta Platforms, Inc.) of Giphy, Inc (the 'Merger')**

Dear [REDACTED],

We refer to your submission dated 3 February 2022 requesting that the CMA consents to derogations to the Initial Enforcement Order of 9 June 2020 (the '**Initial Order**'). Unless otherwise stated, the terms defined in the Initial Order have the same meaning in this letter. Further, in this letter:

**GIF-related Content** means non-text content created or shared by users via a social media, social network or messaging platform (including GIFs, stickers (including GIF stickers), emojis, video clips, images and other micro-expression assets).

Under the Initial Order, save for written consent by the CMA, Facebook Inc. (**Facebook**), Tabby Acquisition Sub, Inc. (**Tabby Acquisition**), Facebook UK Limited (**Facebook UK**) and their subsidiaries are required to hold separate the Facebook business from the business of Giphy, Inc. (**Giphy**) and refrain from taking any action which might prejudice a reference under section 22 of the Act or impede the taking of any remedial action following such a reference.

After due consideration of your request for derogations from the Initial Order, based on the information received from you and in the particular circumstances of this case, the CMA consents to Facebook, Tabby Acquisition and Facebook UK carrying out the following actions, in respect of the specific paragraphs:

**1. Paragraph 4(a) of the Initial Order**

Facebook submits that Instagram and Facebook's [REDACTED] team are working on a new product feature with [REDACTED]. Through the [REDACTED] feature, [REDACTED] will be provided with access to Giphy's GIF-related Content. Facebook submits that the proposed integration with Giphy will be achieved through Giphy's existing public application programming interface ('**API**'), and that any third party would be able to connect to Giphy in the same way.

The CMA understands that Facebook intends [REDACTED].

In addition, Facebook submits that: (i) it has not exchanged any information with Giphy in connection with the [REDACTED], and no exchange of any confidential, proprietary or commercially-sensitive information is expected to take place between Facebook and

GIPHY outside the ordinary course of business as a result of the [X], (ii) the [X] will not necessitate any changes to Giphy's products or services, (iii) no technical or integration work will be needed from Giphy, and, (iv) the [X] feature will not result in additional data being provided by Giphy to Facebook beyond that which was being shared by Giphy as a result of its ordinary course of business relationship with Facebook which existed prior to the Merger.

On the basis of Facebook's representations and the information submitted by it, the CMA consents to a derogation from paragraph 4(a) of the Initial Order permitting the [X] feature to Giphy's public API, strictly on the basis that this derogation will not result in any pre-emptive action which might prejudice the reference or impede the taking of any action which may be justified by the CMA's decision on the reference.

Yours sincerely,

**Adam Cooper**

**Director, Remedies, Business and Financial Analysis**

**28 February 2022**