

**COMPLETED ACQUISITION BY META PLATFORMS, INC.
(FORMERLY KNOWN AS FACEBOOK, INC.) OF GIPHY, INC.**

Notice of making an Interim Order by the Competition and Markets Authority pursuant to section 81 of the Enterprise Act 2002 (the Act) for the purpose of preventing pre-emptive action and of revoking the Final Order made on 29 March 2022,¹ pursuant to section 84(3)(b) of the Act and notice of decision to dispense with the requirements of Schedule 10 to the Act pursuant to paragraph 9 of Schedule 10 to the Act

1. On 15 May 2020, Facebook, Inc. (**'Facebook'**) completed its acquisition of Giphy, Inc. (**'Giphy'**) (the **'Merger'**). On 28 October 2021¹ Facebook changed its corporate name to Meta Platforms, Inc. (**'Meta'**) pursuant to an amended and restated certificate of incorporation filed with the Delaware Secretary of State.
2. On 30 November 2021, the Competition and Markets Authority (**'CMA'**) published a final report pursuant to section 38 of the Enterprise Act 2002 (the **'Act'**) (**'Phase 2 Final Report'**)² which concluded that:
 - (a) the Merger had resulted in the creation of a relevant merger situation;
 - (b) the creation of that situation has resulted, or may be expected to result, in a substantial lessening of competition (the **'SLC'**) in the following respects:
 - (i) in the supply of display advertising in the UK due to horizontal unilateral effects arising from a loss of dynamic competition; and

¹ The Interim Order is published pursuant to section 107(2)(o) of the Act and the Decision to dispense with the requirements of Schedule 10 is published pursuant to section 107(2)(r) of the Act.

² Completed acquisition by Facebook, Inc. (now Meta Platforms, Inc) of GIPHY, Inc., [Phase 2 Final Report](#), 30 November 2021.

- (ii) in the supply of social media services worldwide (including in the UK) due to vertical effects resulting from input foreclosure;
 - (c) the CMA should take action to remedy the SLCs identified and any adverse effects likely to arise; and
 - (d) that Meta be required to divest Giphy.
- 3. On 29 March 2022 the CMA made a final order (**'Final Order'**) pursuant to sections 41 and 84 of the Act requiring the divestiture of Giphy. A Remedies Group was appointed on 30 March 2022.
- 4. On 23 December 2021, Meta filed a Notice of Application (the **'Application'**) challenging certain of the CMA's procedures relating to, and findings in, the Phase 2 Final Report to the Competition Appeal Tribunal (the **'CAT'**). Meta advanced six grounds of review.
- 5. On 14 June 2022, the CAT dismissed five of Meta's grounds, but upheld the second element of the ground concerning the CMA's duty to consult and the lawfulness of the excisions made to the provisional findings and Phase 2 Final Report (the **'Judgment'**).
- 6. On 15 July 2022, the Tribunal issued an order (the **'Remittal Order'**) on remitting the case to the CMA (the **'Remittal'**). A Remittal Group was appointed by the CMA Panel Chair on 15 July 2022.
- 7. In light of the CAT's Judgment, Remittal Order and the commencement of the Remittal, the Remittal Group has decided to make an Interim Order (the **'Interim Order'**) pursuant to section 81 of the Act in order to ensure that no action is taken pending final determination of the Remittal which might prejudice the Remittal or impede the taking of any action by the CMA under Part 3 of the Act which might be justified by the CMA's decisions on the Reference. On the making the Interim Order, the Final Order is revoked pursuant to section 84(3)(b) of the Act.
- 8. The derogations granted under the Final Order or the Initial Enforcement Order³ remain in place (unless amended, cancelled or revoked by the CMA).
- 9. Paragraph 9 of Schedule 10 of the Act, permits the CMA to dispense with the requirements of Schedule 10 in relation to the revocation of the Final Order, including the notice under paragraph 7, where there are special reasons for doing so.

³ Commencing on the 9 June 2022, [Initial Enforcement Order](#).

10. The Remittal Group now considers that the following, in combination, constitute special reasons for dispensing with the procedural requirements in Schedule 10 of the Act:
 - (a) maintaining the Final Order in force would not be consistent with the scope and purpose of the Remittal; and
 - (b) the risk of pre-emptive action arising during the Remittal can be managed effectively by imposition of a new Interim Order.
11. The Interim Order is annexed to this Notice.

Stuart McIntosh
CMA Inquiry Chair
18 July 2022