

**DEROGATION LETTER
IN RESPECT OF INTERIM ORDER ISSUED
PURSUANT TO SECTION 81 OF ENTERPRISE ACT 2002**

Consent under section 81 of the Enterprise Act (the ‘Act’) to certain actions for the purposes of the Interim Order made by the Competition and Markets Authority (‘CMA’) on 18 July 2022

Completed acquisition by Meta Platforms, Inc. (formerly Facebook, Inc.) of Giphy, Inc (the ‘Merger’)

Dear Mr. Little,

We refer to your submission dated 21 July 2022 requesting that the CMA consent to derogations from the Interim Order of 18 July 2022 (the ‘**Interim Order**’). Unless otherwise stated, the terms defined in the Interim Order have the same meaning in this letter. Further, in this derogation:

‘GIF-related Activities’ means any activities relating to the procurement, supply or development of GIF-related Content whether by or to Facebook, Giphy or any third party, including (without limitation) any operational, relationship management, strategic, development, technical or back-office activities or services.

‘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 Interim Order, save for prior written consent by the CMA, Meta Platforms, Inc. (‘**Meta**’) and its subsidiaries, and Giphy, Inc. (‘**Giphy**’) are required to hold separate the Meta business from the business of 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 Interim Order, based on the information received from you and in the particular circumstances of this case, the CMA consents to Meta and Giphy carrying out the following actions, in respect of the specific paragraphs:

1. Paragraph 6(e)(i) of the Interim Order

Meta submitted that it intends to deprecate an experimental app, the Tuned app (‘**Tuned App**’) which is an app offered by Meta’s New Product Experimentation team which provides a private digital space for couples to create, save and celebrate artefacts from their relationship.

The Tuned App was developed prior to the commencement of the Initial Enforcement Order of 9 June 2020 and is currently available in the U.S. and Canada.

The Tuned App is connected to GIPHY's public API. On this basis, the Tuned App constitutes GIF-related Activities within the meaning of the Interim Order.

Meta submitted that the decision to deprecate the Tuned App is entirely unrelated to the Merger and will not affect the nature, description, range or quality of goods and/or services supplied by Meta in the UK. Further, Meta confirmed that the deprecation of the Tuned App does not require any action from GIPHY and will not result in any change to the contractual relationship between Meta and GIPHY.

On this basis, Meta submitted 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.

After due consideration of Meta's request and in the light of the information submitted by it, the CMA consents to a derogation from paragraph 6(e)(i) of the Interim Order permitting the termination of the Tuned App and its removal from Meta's product offering, strictly on the basis that this derogation will not result in any prejudice to the reference or impede the taking of any action which may be justified by the CMA's decisions on the reference.

Stuart McIntosh

Chair, Remittal Group

3 August 2022