

Anticipated Acquisition by Omnicom Group Inc. of The Interpublic Group of Companies Inc.

Decision on relevant merger situation and substantial lessening of competition

ME/2243/25

The CMA's decision on reference under section 33(1) of the Enterprise Act 2002 given on 6 August 2025. Full text of the decision published on 26 August 2025.

The Competition and Markets Authority (CMA) has excluded from this version of the decision information which the CMA considers should be excluded having regard to the three considerations set out in section 244 of the Enterprise Act 2002 (specified information: considerations relevant to disclosure). The omissions are indicated by [X]. Some numbers have been replaced by a range, which are shown in square brackets.

SUMMARY

OVERVIEW OF THE CMA'S DECISION

1. Omnicom Group Inc. (**Omnicom**) agreed to acquire The Interpublic Group of Companies (**IPG**) on 8 December 2024 (the **Merger**). Omnicom and IPG (together referred to as the **Parties** and, for statements relating to the future, the **Merged Entity**) are both active in the UK advertising sector. The Parties (through their subsidiary agencies) both provide, amongst other things, media buying services (**MBS**).
2. The Competition and Markets Authority (**CMA**) has a duty to investigate mergers that could raise competition concerns in the UK, provided it has jurisdiction to do so. In this case, the CMA has concluded that the CMA has jurisdiction to review this Merger.
3. The CMA has considered the impact of the Merger relative to the prevailing conditions of competition.
4. In assessing this Merger, the CMA considered a wide range of evidence from the Parties and their customers and competitors as well as other organisations that are active in the Parties' industries, including media owners. The CMA considered whether the Merger would lead to a substantial lessening of competition (**SLC**) as a result of horizontal unilateral effects in the supply of MBS in the UK.
5. The CMA found no concerns on this theory of harm. The CMA found that the Merged Entity would continue to be constrained by a number of other large competitors, and to a lesser extent, smaller independent media agencies.
6. Accordingly, the CMA has found that the acquisition by Omnicom of IPG is a relevant merger situation that does not give rise to a realistic prospect of an SLC as a result of horizontal unilateral effects.
7. The Merger will therefore **not be referred** under section 33(1) of the Enterprise Act 2002 (the **Act**).

ASSESSMENT

1. PARTIES AND THE MERGER

1. Omnicom is an NYSE-listed global provider of marketing and sales solutions headquartered in New York, USA. It comprises a global network of agencies offering a range of marketing solutions spanning brand advertising, media planning and buying services, public relations, and specialty communications services.¹ Omnicom's turnover in FY 2024 was £12.3 billion worldwide and £1.3 billion in the UK.²
2. IPG is an NYSE-listed global provider of marketing, communication and business transformation services based in New York, USA. Its agency brands are grouped into segments specialising in media, data and engagement solutions; integrated advertising and creativity-led solutions; and specialised communications and experiential solutions.³ IPG's turnover in FY 2024 was £[X] billion worldwide and £[X] million in the UK.⁴
3. On 8 December 2024, the Parties entered into an agreement under which Omnicom will acquire 100% of the shares in, and sole control of, IPG for approximately USD 13.25 billion (approximately £10.36 billion).^{5,6}

2. PROCEDURE

4. The CMA's mergers intelligence function identified the Merger as warranting an investigation.⁷

3. JURISDICTION

5. Each of Omnicom and IPG is an enterprise. As a result of the Merger, these enterprises will cease to be distinct. The UK turnover of IPG exceeded £100 million in FY 2024, so the turnover test in section 23(1)(b) of the Act is satisfied. The CMA therefore believes that it is or may be the case that arrangements are in

¹ Final Merger Notice submitted to the CMA on 12 June 2025 (FMN), paragraph 40.

² Email from the Parties, 24 July 2025.

³ The Interpublic Group of Companies Inc., [Form 10-K for the fiscal year ended 31 December 2024](#), page 3.

⁴ Email from the Parties, 24 July 2025.

⁵ FMN, paragraphs 47 and 51. The Parties submitted that the rationale of the Merger is to respond to the rapid evolution of the sector and create a more dynamic and efficient entity, with expanded product offerings, particularly regarding digital marketing, e-commerce and technology platforms. In addition, Omnicom expects that the Transaction will generate estimated cost synergies of USD 750 million per year: FMN, paragraphs 54–56.

⁶ The Parties informed the CMA that the Merger is or has also been the subject of review by competition authorities in the European Union, the United States, Australia, Brazil, Canada, China, Colombia, Egypt, India, Japan, Mexico, New Zealand, Saudi Arabia, Singapore, South Africa, Turkey and the United Arab Emirates: FMN, paragraph 57.

⁷ [Mergers: Guidance on the CMA's jurisdiction and procedure \(CMA2\)](#), 25 April 2024, paragraphs 6.4–6.6.

progress or in contemplation which, if carried into effect, will result in the creation of a relevant merger situation.

6. The initial period for consideration of the Merger under section 34ZA(3) of the Act started on 17 June 2025 and the statutory 40 working day deadline for a decision is therefore 13 August 2025.

4. COUNTERFACTUAL

7. The CMA assesses a merger's impact relative to the situation that would prevail absent the merger (ie the counterfactual).⁸ The CMA has assessed the Merger's impact against the prevailing conditions of competition, in line with the Parties' submissions⁹ and based on the evidence it has received.

5. INDUSTRY BACKGROUND

8. The Parties supply MBS to advertisers in the UK. MBS comprise: (i) media planning; (ii) the provision of strategic advice (including the analysis of target audiences and the effectiveness of media types); and (iii) the purchase of media inventory or time to deliver a brand's message to a target audience for advertisers.¹⁰
9. With regard to the purchase of media inventory, suppliers of MBS are responsible for selecting the most effective advertising slots, negotiating costs, and ensuring advertisements reach their intended audiences for advertiser customers.¹¹ As such, there is an upstream and a downstream dimension to MBS, namely the purchase of advertising space/time from media owners that sit upstream, and in turn the downstream supply of that advertising space/time to advertising customers. These two aspects of competition are linked because being successful in downstream sales requires MBS suppliers to acquire effective advertising slots.
10. MBS suppliers are commonly categorised as:
 - (a) large international agency holding companies,¹² that include the Parties, WPP, Publicis, Dentsu and Havas (**Holding Companies**). These suppliers have the capabilities to offer the full range of MBS on an international basis; and

⁸ [Merger Assessment Guidelines \(CMA129\)](#), March 2021, paragraph 3.1.

⁹ FMN, paragraphs 83–85.

¹⁰ FMN, paragraph 17.

¹¹ FMN, paragraph 110(b).

¹² An international agency holding company is a corporate parent that oversees various subsidiary agencies that generally specialise in different aspects of advertising, communications and marketing services.

- (b) a long tail of international, regional and UK-based MBS agencies and agency networks (**Independents**). Independents vary greatly in size and may specialise in offering a particular service, for example digital-first solutions.¹³
11. Media owners, such as television and radio channels, print media, outdoor billboard owners, and digital media companies sell media inventory for use by advertisers. This media inventory can either be sold to MBS suppliers or directly to advertisers. MBS suppliers may either purchase specific media inventory on behalf of an advertiser (ie acting as an agent) or may purchase a portfolio of media inventory directly which is then sold to advertisers. Where media inventory is sold directly to advertisers, this is often for digital media sold through programmatic advertising platforms that automate the media buying process using algorithms and real time bidding.¹⁴
12. Due to the complexity associated with procuring media across multiple channels, advertisers often use media auditors to evaluate whether an MBS agency has delivered on its agreed commitments. Media auditors also report on the competitiveness of prices being offered by an MBS agency by measuring against benchmarks within the market.¹⁵

6. COMPETITIVE ASSESSMENT

6.1 Market definition

13. Market definition involves identifying the most significant competitive alternatives available to customers of the merger parties and includes the sources of competition to the merger parties that are the immediate determinants of the effects of the merger.¹⁶
14. The CMA considers that the activities relevant to the assessment of the Merger are the supply of MBS in the UK.¹⁷

6.1.1 Product market

15. The Parties submitted that there is a single product market for MBS which includes both the procurement and supply of media and that any segmentation on this basis would be artificial because it merely reflects two sides of the same market

¹³ FMN, paragraphs 250-251.

¹⁴ FMN, paragraph 240.

¹⁵ Note of call with a third party, June 2025, paragraph 10; Note of call with a third party, May 2025, paragraph 8.

¹⁶ [CMA129](#), paragraph 9.2.

¹⁷ The Parties also overlap in the supply of marketing and communication services (**MCS**). MCS comprises activities related to the planning and the creation of content for a marketing or communication campaign. Based on the evidence before it, the CMA concluded at an early stage in its investigation that there are no plausible competition concerns in respect of the supply of MCS as a result of the Merger.

where the competitive parameters are the same.¹⁸ The Parties also submitted that no segmentation of MBS by media type, customer type, or service type is warranted.¹⁹

16. As regards the possible segmentation of MBS into (i) the procurement of media; and (ii) the supply of media, the CMA considers that, to the extent that MBS suppliers compete to extract favourable terms from media owners, this is ultimately for the purpose of competing to supply media to advertiser customers. As such, for the purpose of its competitive assessment, the CMA has considered a single market in which MBS agencies' relative strengths in procuring media to be an aspect of competition in the supply of MBS to advertisers.

6.1.1.1 *Direct sales*

17. As described in paragraph 1111 above, direct sales refer to the purchase of media directly by advertisers from media owners rather than through a media buying agency.²⁰ The Parties submitted that direct sales represent a significant competitive constraint on MBS agencies and should form part of the MBS product market.²¹
18. Evidence from third parties suggests that direct sales by media owners to advertisers provide a very limited constraint on MBS agencies as media owners, unlike MBS agencies, are typically unable to provide strategic advice across different media types:
- (a) A significant proportion of the customers that responded to our questionnaire said that they do not purchase any advertising space directly from media owners,²² and of those that do, this was mostly limited to digital/social media platforms such as TikTok, Meta, Pinterest and Google/YouTube.²³
 - (b) Third parties highlighted the importance of the multi-channel nature of the service provided by MBS agencies:
 - (i) One customer explained that a complete pivot to direct buying would be impractical due to the significant internal resources required to manage vast and multi-channel media planning, buying, and optimisation without agency support.²⁴
 - (ii) An industry body noted that the types of services MBS customers would struggle to replicate in-house include the planning and buying of media

¹⁸ FMN, paragraph 146.

¹⁹ FMN, paragraph 169.

²⁰ FMN, paragraph 157.

²¹ FMN, paragraph 158.

²² Responses to the CMA's questionnaire, question 6, June 2025.

²³ Responses to the CMA's questionnaire, question 6, June 2025.

²⁴ Response to the CMA's questionnaire, question 7, June 2025.

across numerous media channels, and the measurement of campaign performance.²⁵

- (c) Most of the customers that responded to our questionnaire said that they would not switch, or would be unlikely to switch, to purchasing media directly if prices increased by 5–10%.²⁶ One customer stated that the route to market, particularly for offline media, is complicated for an advertiser to manage without an agency, and that it would more likely switch to direct purchases in the digital media space where the agency adds less value.²⁷
- (d) None of the media owners that responded to our questionnaire consider themselves to be a competitor of MBS agencies.²⁸ Whilst three media owners noted that they provide strategic and performance-related advice specific to their media to advertisers,²⁹ two media owners explained that media agencies offer a broader and deeper level of expertise as they cover multiple publishers and utilise various tools to deliver fully integrated marketing solutions.³⁰

19. Based on this evidence, the CMA has excluded direct sales from the relevant product market. However, in its competitive assessment the CMA has considered the out-of-market competitive constraint exerted, if any, by suppliers of similar or ancillary services to MBS, including direct sales.

6.1.2 Geographic market

20. The Parties submitted that the narrowest plausible geographic market is UK-wide.³¹
21. Evidence from MBS customers indicates that the geographic span of an advertiser's media buying strategy will depend on its specific requirements but is generally at least national in scope.³² The CMA notes that multinational advertisers often procure MBS on a regional or global basis. Despite this, however, there are certain market features which support carrying out an assessment on a national basis, including but not limited to: differing national regulatory frameworks; and the necessity to procure media from national broadcasters and/or publishers, with negotiations being conducted at a national level and often in the local language.³³

²⁵ Note of a call with third party, paragraph 37, April 2025.

²⁶ Responses to the CMA's questionnaire, question 7, June 2025.

²⁷ Response to the CMA's questionnaire, question 7, June 2025.

²⁸ Responses to the CMA's questionnaire, question 6, June 2025.

²⁹ Responses to the CMA's questionnaire, question 6, June 2025.

³⁰ Responses to the CMA's questionnaire, question 6, June 2025.

³¹ FMN, paragraph 194.

³² Responses to the CMA's questionnaire, question 2, June 2025.

³³ FMN, paragraph 192; See also [Case M.7023 – Publicis/Omnicom](#), 2014, paragraphs 51 and 56.

6.1.3 Conclusion on market definition

22. The CMA has therefore assessed the impact of this Merger on the supply of MBS in the UK.

6.2 Theory of harm

23. The CMA assesses the potential competitive effects of mergers by reference to theories of harm. Theories of harm provide a framework for assessing the effects of a merger and whether or not it could lead to an SLC relative to the counterfactual.³⁴
24. In its investigation of this Merger, the CMA has considered the following theory of harm: horizontal unilateral effects in the supply of MBS in the UK.³⁵

6.2.1 Theory of Harm: Horizontal unilateral effects in the supply of MBS in the UK

25. Horizontal unilateral effects may arise when one firm merges with a competitor that previously provided a competitive constraint, allowing the merged entity profitably to raise prices or to degrade quality on its own and without needing to coordinate with its rivals.³⁶ Horizontal unilateral effects are more likely when the parties to a merger are close competitors.³⁷
26. The CMA has considered evidence from the Parties (including submissions, internal documents and sales data) and from third-party competitors, customers and suppliers of media inventory. The CMA considered:
- (a) market structure;
 - (b) closeness of competition between the Parties; and
 - (c) strength of alternative competitive constraints.

6.2.1.1 Market structure

27. Shares of supply for the provision of MBS in the UK for 2024 (by media spend and media billing) are set out in Table 1 below. These shares exclude direct sales from media owners, consistent with paragraph 1919 above, and reflect data collected

³⁴ [CMA129](#), paragraph 2.11.

³⁵ On the basis of the evidence gathered by the CMA, the CMA considered at an early stage in its investigation that there are no plausible competition concerns in respect of the supply of MCS as a result of the Merger and this is therefore not discussed further in this Decision.

³⁶ [CMA129](#), paragraph 4.1.

³⁷ [CMA129](#), paragraph 4.8.

directly from MBS suppliers in the UK, including Holding Companies: Dentsu, Havas, IPG, Omnicom, Publicis and WPP, and Independents.³⁸

Table 1: Shares of supply for the provision of MBS in the UK for 2024

Agency	2024 UK Share (%) By media spend	2024 UK Share (%) By media billing
Omnicom	[20-30] %	[20-30] %
IPG	[5-10] %	[5-10] %
Combined	[30-40] %	[30-40] %
WPP	[20-30] %	[30-40] %
Publicis	[20-30] %	[10-20] %
Dentsu	[10-20] %	[10-20] %
Havas	[0-5] %	[0-5] %
Independents	[0-5] %	[0-5] %

Source: CMA analysis of the Parties' data collected as part of RFI3 questions 1 and 2, and competitor data from responses to questions 3 and 4 of the competitor questionnaire.

28. The CMA's shares of supply estimates in Table 1 indicate that Omnicom and IPG are the second and fifth largest suppliers of MBS by media spend and media billing in the UK, and that Havas is significantly smaller than other Holding Companies, including IPG.
29. The Merged Entity would be the largest supplier in the supply of MBS in the UK with a share of supply of [30-40]% by both media spend and media billing, closely followed by WPP with a similar share of supply of [20-30]% and [30-40]% by media spend and media billing respectively and Publicis with a share of supply of [20-30]% and [10-20]% by media spend and media billing respectively. In addition, Dentsu had a share of [10-20]% by media spend and media billing and Havas had a share of [0-5]% by both measures. The Independents jointly had a share of [0-5]% by both measures.

6.2.1.2 Closeness of competition between the Parties

30. The CMA has considered several types of evidence relating to how closely the Parties compete with one another. The evidence includes the following:
- (a) First, the Parties' internal documents indicate that while the Parties do monitor each other to some extent, this is generally alongside other Holding Companies. For example, Omnicom describes its MBS competitor sets, ranking [X] as its largest competitors, with [X], followed by [X].³⁹
 - (b) Second, third-party responses indicate that the Parties are credible alternatives to one another, but that Omnicom is a stronger constraint on IPG than vice versa. For example, the Parties' customers were asked in the CMA's questionnaire to rate Omnicom's or IPG's MBS offering respectively.

³⁸ While Independents' share of supply could be underestimated due to a low response rate of smaller agencies to the CMA's competitor questionnaire, the CMA considers that the estimates in Table 1 are broadly in line with share of supply estimates based on industry reports (ie COMvergence c-dash data provided in Annex 065 to the FMN).

³⁹ For example, Omnicom internal documents: DOC ID OMC-CMA-0001466, 14 February 2025, pages 8-11; and DOC ID OMC-CMA-0000001, page 2.

On average, Omnicom customers generally rated IPG's offering as 'good',⁴⁰ whereas IPG's customers generally rated Omnicom's offering as 'very good'.⁴¹

- (c) Third, the Parties' bidding and switching analyses demonstrates that the Parties primarily lost accounts to other media agencies ([X]), rather than to each other.⁴² Accordingly, the CMA considers that the Parties' analyses indicate that the Parties are not particularly close competitors. However, given the datasets' limitations (eg neither dataset provides information on runners-up), the CMA has considered this evidence in the round, together with internal documents and third-party feedback.

31. Therefore, the evidence received by the CMA indicates that the Parties may not be each other's closest competitors, but they compete relatively closely (albeit that IPG is smaller than Omnicom).

6.2.1.3 *Strength of alternative competitive constraints*

32. In the market for the supply of MBS in the UK, the CMA has considered the evidence on the strength of alternative providers.
33. The Parties submitted that they compete with a large number of rivals including: (i) other Holding Companies;⁴³ (ii) Independents;⁴⁴ (iii) large tech companies which, the Parties submitted, are increasingly dominating the MBS market due to their expertise in digital media technologies and their dominance in the advertising space on their platforms;⁴⁵ (iv) consulting firms which can leverage their expertise in data analytics, technology, and strategy to compete with traditional media buyers;⁴⁶ and (v) advertisers developing in-house media buying capabilities.⁴⁷

6.2.1.3.1 *Scale*

34. The CMA has considered the strength of competitive constraints on the Parties in the context of their increased scale post-Merger.
35. Evidence from the Parties' internal documents and third parties highlight the importance of scale to secure favourable terms from media owners.⁴⁸ Favourable

⁴⁰ Responses to the CMA's questionnaire, question 10, June 2025.

⁴¹ Responses to the CMA's questionnaire, question 12, June 2025.

⁴² Parties submission, Analysis of UK Win Loss Data, 20 May 2025, Section 3.1 and Tables 1-2; Parties submission, White Paper – UK opportunities analysis, 25 June 2025, Section 2.1 and Table 1.

⁴³ FMN, paragraph 250.

⁴⁴ FMN, paragraph 251.

⁴⁵ FMN, paragraph 252.

⁴⁶ FMN, paragraph 245.

⁴⁷ FMN paragraphs 242-244.

⁴⁸ For example: Omnicom internal documents DOC ID OMC-CMA-0001154, April 2023, page 14 and DOC ID OMC-CMA-0000094, 31 October 2024, page 5; IPG internal documents, DOC ID IPG-CMA-0000251, October 2022, pages 18 and 21, and DOC ID IPG-CMA-0000355, 26 October 2023, pages 12, 13, 16 and 17.

terms may include, among other things, discounts or lower prices, lower commitments, more favourable value pot attributions (the allocation of free or discounted advertising inventory) or audience selection. Almost all of the Parties' customers that provided evidence noted the ability to buy media at scale as an important or very important factor when selecting an MBS supplier.⁴⁹ In explaining the importance of this factor, some customers highlighted the link between procuring media at scale and achieving lower prices.⁵⁰

36. The CMA received concerns from some smaller competitors that the Merged Entity's combined scale would put greater pressure on MBS suppliers to match the more competitive rates the Merged Entity may be able to offer in order to win or retain customers.⁵¹ All competitors that responded to the CMA's information requests believed that the Merged Entity would use its increased scale to obtain better terms from media owners. For example, a competitor noted that the Merger would cement a buying 'power-house' and make it more difficult to compete on price, and another competitor noted that the Merged Entity would gain a significant advantage from its scale, allowing it to derive greater profit and offer more competitive terms to advertisers.⁵²
37. Additionally, the CMA heard a concern from some media owners that the Merged Entity's increased scale would put pressure on them to accept less favourable terms (in relation to discounts, proprietary access to inventory, preferential value attribution, mandated technology adoptions/integrations, sharing or proprietary data or pressure to accept new media models).⁵³ However, several media owners considered that the Merged Entity would not be able to or would have no guarantee of securing better terms, or that it was 'unclear at this stage'.⁵⁴ It was also noted that some media owners could react to the Parties' intensified bargaining by raising prices for smaller MBS suppliers,⁵⁵ although in response to the CMA's information request, suppliers told the CMA that they would not react in this way.⁵⁶
38. The CMA notes that (i) the concerns raised are consistent with strong (perhaps even stronger) price competition post-Merger in the supply of MBS services to advertisers, (ii) no customers raised concerns, and (iii) as described below, the CMA considers that other Holding Companies will continue to operate at scale in competition with the Merged Entity.

⁴⁹ Responses to the CMA's questionnaire, question 3, June 2025.

⁵⁰ Responses to the CMA's questionnaire, question 3, June 2025.

⁵¹ Note of a call with a third party, paragraphs 26, 27 and 30, May 2025, Response to the CMA's questionnaire, question 11.

⁵² Responses to the CMA's questionnaire, question 11.

⁵³ Responses to the CMA's questionnaire, question 10, June 2025.

⁵⁴ Responses to the CMA's questionnaire, question 8, June 2025.

⁵⁵ Response to the CMA's questionnaire, question 8, June 2025.

⁵⁶ Responses to the CMA's questionnaire, question 8, June 2025.

39. Finally, during the course of its investigation, the CMA also heard several comments noting the ongoing trend towards consolidation of scale within the Holding Companies. The CMA notes that while it has found sufficient remaining constraints in this investigation, this is not an indicator of the outcome of potential future merger investigations in the same sector. Depending on the specific circumstances of any potential future mergers, the CMA may find that the removal or any further competitive constraint constitutes an SLC.

6.2.1.3.2 *Strength of constraint from Holding Companies*

40. The CMA considered evidence from the Parties' internal documents and third parties on the strength of the competitive constraint from the other Holding Companies.
41. The evidence consistently indicates that WPP and Publicis exert a strong constraint on the Parties, which is also reflected in their shares of supply (see Table 1). The Parties' internal documents also indicate that WPP and Publicis exert a strong constraint on the Parties.⁵⁷ Third-party feedback supports this view, with several customers and competitors describing WPP's and/or Publicis' offerings as 'very good' or 'very strong'.⁵⁸ The CMA considers that WPP and, to a lesser extent Publicis, will have similar scale to the Merged Entity and will continue to compete closely, particularly with regard to the ability secure more favourable terms from media owners.
42. The evidence indicates that Havas and Dentsu exert a moderate constraint on the Parties, with Dentsu's constraint being the stronger of the two.
- (a) The Parties' internal documents [REDACTED]. For example, [REDACTED], and an IPG document which discusses its competitors, identifies [REDACTED] as a strong competitor in the pharmaceutical sector.⁵⁹
- (b) The Parties' internal documents [REDACTED]. For example, an Omnicom document notes that Dentsu has a [REDACTED] strategy, [REDACTED] Havas has a [REDACTED] strategy and offering than some other players.⁶⁰

⁵⁷ For example: Omnicom internal document, DOC ID OMC-CMA-0000110, page 5; Omnicom internal document, DOC ID OMC-CMA-0000444, January 2025, page 12; and Omnicom internal document DOC ID OMC-CMA-0000451, 24 January 2023, page 5.

⁵⁸ Responses to the CMA's questionnaire, June 2025.

⁵⁹ Omnicom internal document, DOC ID OMC-CMA0001326, November 2024, page 23; and DOC ID IPG0000527, October 2024, page 72.

⁶⁰ Omnicom internal document, DOC ID OMC-CMA-0000110, page 5.

- (c) The Parties' bidding data also shows that: (i) there were instances where Havas or Dentsu won on the [3<] element of MBS pitches, and (ii) these players may also be selected when there is an impetus for change.⁶¹
- (d) Third-party feedback suggests that whilst Havas and Dentsu are regarded as competitors to the Parties and invited to pitch by several advertisers, they each only impose a moderate constraint on the Parties. For example, on average customers identified Dentsu as having a moderate/good offering, and competitors on average rated Dentsu's competitive strength as moderate.⁶² Most customers rated Havas as a good alternative to Omnicom, noting its good reputation but also its smaller scale and more limited capability, and competitors also rated Havas' competitive strength as moderate.⁶³

6.2.1.3.3 *Strength of constraint from UK Independents*

43. The CMA also considered evidence from the Parties' internal documents and third parties on the extent to which Independents impose a constraint on the Parties. The evidence suggests that Independents do exert a degree of constraint in parts of MBS:

- (a) First, the [3<] evidence demonstrates that Independents may win: (i) in niche sectors where they have developed expertise;⁶⁴ or (ii) if a customer has a preference for using an independent agency, for example because it considers that it can receive more personalised attention within a smaller agency.⁶⁵
- (b) Second, the Parties' internal documents indicate the following:
 - (i) Independents are monitored by the Parties alongside the other Holding Companies (albeit less frequently). For example, an Omnicom strategy document notes [3<] in the UK, and an IPG strategy document explicitly notes two Independents as a competitive threat.⁶⁶ Independents are also noted as winning some larger MBS accounts from the Parties. For example, an IPG document, which discusses pitch losses, notes [3<].⁶⁷

⁶¹ Parties' response to the CMA's section 109 notice (**s109 notice**) 1, dated 2 May 2025, Annex 096. OMC_IPG - Annex 096 - Response to CMA s.109(1) - Q12 - Consolidated list - MBS - Confidential [Updated].xlsx.

⁶² Responses to the CMA's questionnaire, June 2025.

⁶³ Responses to the CMA's questionnaire, June 2025.

⁶⁴ [3<]. Parties submission, Analysis of UK Win Loss Data, 20 May 2025, Section 3.1 and Tables 1-2. OMC_IPG - Analysis of UK Win Loss Data - 20 May 2025 – Confidential.

⁶⁵ Parties' submission, White Paper – UK opportunities analysis 16 June 2025, paragraphs 3.8 to 3.16.

⁶⁶ Omnicom internal document, DOC ID OMC-CMA-0001037, March 2024, page 7; IPG internal documents DOC ID IPG0000250, March 2023, page 24, and DOC ID IPG0000237, 10 February 2023, page 19.

⁶⁷ IPG internal document, DOC ID IPG0000352, October 2023, page 30.

(ii) Independents impose an even stronger constraint for MBS related to customers looking for specialised [X] capabilities. For example, two IPG strategy documents note three UK Independents as being ‘strong’ with customers looking for specialised [X].⁶⁸

(c) Third, third-party feedback indicates that Independents impose a limited constraint for the supply of MBS to advertisers who require a global media buying strategy and/or have a high media spend. Some customers noted several challenges that Independents have when competing against Holding Companies, including the Parties, because they:

(i) lack scale to offer the same pricing as large players, especially in offline TV;

(ii) may not be able to provide global coverage;

(iii) may not be able to handle complex customer needs or requirements, including privacy guidelines; and

(iv) may have less access to the best agency talent.⁶⁹

44. Based on this evidence, the CMA considers that the extent of the constraint imposed by Independents varies depending on the scope of the tender. The constraint is stronger where it is localised or where the advertiser requires more specific campaigns or specialised solutions. The constraint is more limited where the advertisers require a global media buying strategy and/or have a high media spend.

6.2.1.3.4 *Other constraints*

45. With regard to direct media sales, third-party feedback indicates that direct sales do not impose a meaningful constraint on the Parties or suppliers of MBS because media companies do not have the capability to provide strategic advice across a range of media types.⁷⁰ Similarly, customers did not identify consultants or in-house capabilities to be alternatives to for MBS, which were generally viewed as ancillary (ie capabilities that may be used in conjunction with the MBS supplied by the Parties and other MBS agencies).⁷¹ As such, the CMA does not consider (i) tech-platforms; (ii) consultants; or (iii) in-house capabilities to exert a meaningful constraint on the Parties.

⁶⁸ IPG internal documents, DOC ID IPG0000250 page 30 and DOC ID IPG0000237 page 19.

⁶⁹ Responses to the CMA's questionnaire, question 4, June 2025.

⁷⁰ See footnotes 22 to 30.

⁷¹ Responses to the CMA's questionnaire, question 4, June 2025.

6.2.1.3.5 *Conclusion on theory of harm*

46. For the reasons set out above, the CMA considers that whilst the Parties are relatively close competitors, the Merged Entity would face competitive constraints from other providers of MBS, particularly from other Holding Companies.
47. Accordingly, the CMA found that the Merger does not give rise to a realistic prospect of an SLC as a result of horizontal unilateral effects in the supply of MBS in the UK.

7. ENTRY AND EXPANSION

48. Because the Merger will not result in an SLC under the theory of harm considered, the CMA has not carried out a separate assessment of whether entry or expansion could function as a countervailing factor against a potential SLC.

DECISION

49. Consequently, the CMA does not believe that it is or may be the case that the Merger may be expected to result in an SLC within a market or markets in the United Kingdom.
50. The Merger will therefore not be referred under section 33(1) of the Act.

Kasia Bojarojc
Director, Mergers
Competition and Markets Authority
6 August 2025