Anticipated acquisition by Getty Images Holdings, Inc. of Shutterstock, Inc.

Decision on relevant merger situation and substantial lessening of competition

ME/2252/25

OVERVIEW OF THE CMA'S DECISION

1. The Competition and Markets Authority (**CMA**) has found that the proposed acquisition by Getty Images Holdings, Inc. (**Getty Images**) of Shutterstock, Inc. (**Shutterstock**) gives rise to a realistic prospect of a substantial lessening of competition (**SLC**) in (i) the supply of editorial content in the UK, and (ii) the supply of stock content globally (including in the UK), in both cases as a result of horizontal unilateral effects.

2. Getty Images has agreed to acquire Shutterstock pursuant to a share purchase agreement entered into on 6 January 2025 (the **Merger**) for a consideration of approximately £245 million in cash and 319.4 million shares of Getty Images stock, creating a combined entity with an enterprise value of over £3 billion. The Merger is also currently under review by the United States Department of Justice. Getty Images and Shutterstock are together referred to as the **Parties** and, for statements relating to the future, the **Merged Entity**.

3. As the CMA has found that the Merger gives rise to a realistic prospect of an SLC, the Parties have until 27 October 2025 to offer undertakings in lieu of a reference (**UILs**) to the CMA that will remedy the competition concerns identified. If no such undertaking is offered, then the CMA will refer the Merger pursuant to sections 33(1) and 34ZA(2) of the Enterprise Act 2002 (the **Act**).

Who are the businesses and what products/services do they provide?

4. Getty Images and Shutterstock both supply digital content, including photos, illustrations, videos and music. The Parties operate platforms that license content to customers. The Parties' content can be broadly segmented into editorial and

stock (or creative) content. The CMA has examined the impact of the Merger on the supply of both types of content.

(a) Editorial content includes pictures and videos of newsworthy events, people and landmarks. The Parties' customers in the UK include major broadcasters, news groups, publishers and other organisations across the UK media landscape. UK customers require UK centric content, for example, relating to local and national sports fixtures and news events and UK celebrities. The CMA therefore examined the effects of the merger on editorial content at a national level.

(b) Stock content is content held in inventory and licensed for use across a wide range of industries. The Parties' customers in the UK include major advertising firms, publishers and design agencies, including many small and medium sized businesses (**SMBs**) across the creative sector. While the CMA found that competition to supply stock content occurs at a global level, it also found that customers value the extent to which suppliers can offer localised content, and the CMA took this into account in its assessment of the Merger.

Why did the CMA review this merger?

5. The CMA's primary duty is to seek to promote competition for the benefit of consumers. It 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 because a relevant merger situation has been created: Getty Images and Shutterstock are each an enterprise that will cease to be distinct as a result of the Merger and the share of supply test is met.

What evidence has the CMA looked at?

6. In assessing this Merger, the CMA considered a wide range of evidence in the round.

7. The CMA received several submissions and responses to information requests from the Parties including about the nature of the Parties' businesses, how closely they currently compete and the constraint from other suppliers. The CMA also examined the Parties' internal documents, which show how they run their businesses and how they view their rivals in the ordinary course of business. The CMA also looked at the Parties' internal documents to understand their plans for their businesses absent the Merger.

8. The CMA spoke to and gathered evidence from UK customers and competitors, as well as major industry organisations to get a better understanding of the

competitive landscape, customers’ requirements and purchasing habits, as well as to get their views on the impact of the Merger.

What did the evidence tell the CMA about the effects on competition of the Merger?

9. The CMA looked at whether the Merger would lead to a substantial lessening of competition as a result of horizontal unilateral effects, namely:

   (a) reduced competition in the supply of editorial content in the UK; and

   (b) reduced competition in the supply of stock content globally (including in the UK).

10. The CMA received widespread concerns from UK businesses, trade associations and other stakeholders in the UK media and creative sectors on the impact of the Merger in the supply of both editorial and stock content, including concerns that the Merger would lead to increased prices, worsened commercial terms, and reduced quality of service or content. This included concerns from the News Media Association (NMA) (whose members comprise national, regional and local news media organisations across the UK, and publish around 900 news media titles) among others.

Theory of harm 1: Horizontal unilateral effects in the supply of editorial content in the UK

11. The CMA considers that the Merger gives rise to a realistic prospect of an SLC as a result of horizontal unilateral effects in the supply of editorial content in the UK. In particular:

   (a) The evidence indicates that the supply of editorial content is concentrated, and that Getty Images is the clear market leader. No other supplier is of a similar size or has such a broad editorial offering.

   (b) Shutterstock, while significantly smaller and somewhat differentiated in its offering, is one of the few material alternatives to Getty Images. Shutterstock is seen as a particularly good alternative to Getty Images in entertainment and archive content.

   (c) Besides Shutterstock, competition comes primarily from a small number of newswire services, including PA Media/Alamy, Associated Press, and Reuters, whose offerings also tend to be somewhat differentiated from the Parties’ offerings in terms of their commercial models as newswires and their content coverage (eg focus on news). The evidence indicates the Merged Entity will face limited other constraints. Other suppliers of editorial content tend to specialise in filling niche content gaps.

Theory of harm 2: Horizontal unilateral effects in the supply of stock content globally (including in the UK)

12. The CMA considers that the Merger gives rise to a realistic prospect of an SLC as a result of horizontal unilateral effects in the supply of stock content globally (including in the UK). In particular:

    (a) The evidence indicates the Parties are each other's main competitor alongside PA Media/Alamy and Adobe Stock. The evidence on Canva is more mixed and suggests that it may compete mainly for SMBs and individuals. While some of the Parties' documents identify Canva as a key competitor, customers that the CMA spoke to did not identify it as an alternative. Unlike the Parties, Canva only offers stock content for use in its design tools. Canva also relies on Getty Images for some of its content. The evidence indicates that other suppliers pose a weaker constraint, given that they are typically smaller, more specialised or provide lower quality content.

    (b) The CMA has found that free stock content provides only a limited constraint on suppliers of paid stock content, especially for enterprise customers, given limited breadth, quality and licensing issues.

    (c) The emergence of generative AI (**GenAI**) as a source of imagery is disrupting the industry. While the position is evolving, the CMA has not seen evidence that GenAI players are either currently, or likely to be in the next few years, an alternative to stock content for a significant proportion of demand. While there is evidence that some demand may be shifting, internal documents and feedback from customers show that there are barriers to the adoption of GenAI images in place of stock images, such as concerns around authenticity, quality and licensing issues. There is also some evidence that, given their large libraries of licensed content on which AI can be trained, the Parties may be well placed to compete in this space with their own GenAI offerings.

What did the evidence tell the CMA about any entry or expansion?

13. The CMA considered whether entry or expansion could prevent an SLC in these markets. The CMA found that there are considerable barriers that make entry or expansion that could prevent an SLC unlikely. In relation to editorial content, the CMA found that competitors face access restrictions to cover events and would face significant investment costs to expand in order to achieve the scale and provide the range of content required to be a viable alternative to the Parties. In relation to stock content, new entrants face a similar difficulty in investing to achieve the requisite scale and range of high-quality content. Expansion also requires establishing extensive contributor and customer networks.

What happens next?

14. As a result of these concerns, the CMA believes the merger gives rise to a realistic prospect of SLC(s) in (i) the supply of editorial content in the UK, and (ii) the supply of stock content globally (including in the UK). The Parties have until 27 October 2025 to offer an undertaking which might be accepted by the CMA to address the SLC. If no such undertaking is offered, or the CMA decides that any undertaking offered is insufficient to remedy its concerns to the phase 1 standard, then the CMA will refer the Merger for an in-depth phase 2 investigation pursuant to sections 33(1) and 34ZA(2) of the Act.