

[IE] Competition Authority Clears Radio Merger with Conditions

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The Competition Authority has cleared, subject to certain conditions, a proposed acquisition by Scottish Radio Holdings (SRH) of a Dublin local radio station, FM 104. SRH already own Today FM, the sole national commercial radio station. The acquisition had already been cleared by the Broadcasting Commission of Ireland, the regulator of the commercial broadcasting sector. However, media mergers are now subject also to specific requirements included in section 22 of the Competition Act 2002. Under that section the Competition Authority makes a determination on the proposed merger based on competition issues. Its determination is then referred to the Minister for Enterprise, Trade and Employment for an independent review on other non-competition criteria. If the Minister makes no order within 30 days, the Competition Authority's determination becomes final. In the case of SRH, the Authority determined that the proposed acquisition would not substantially lessen competition in the market. The conditions set by the Authority included a requirement for SRH to divest all ownership in Newstalk 106FM (another Dublin-based commercial station) to a buyer agreeable to both parties and to the Authority by 31 December 2004.

SRH is not to participate in Newstalk's board, or vote or participate in its business operations. If SRH does not divest itself of the station by the set date, ownership interests will be transferred to a trustee. FM 104 may not renew current sales and advertising contracts.

"The Competition Authority attaches conditions to the purchase of FM 104 by Scottish Radio Holdings", 5 February 2004

<http://www.tca.ie/press/99.pdf>

