

European Commission: Approval of Joint Acquisition of Dutch Cable Operators by Cinven and Warburg Pincus

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Two private equity companies operating in various economic sectors, Cinven and Warburg Pincus, were given the Commission's go-ahead to proceed with the joint acquisition of two Dutch cable operators. The two Dutch cable operators in question are Casema and Multikabel which provide radio and television, internet access and telephony services. The Commission approved the joint acquisition after it found that the cable operators have few overlapping activities in the markets for broadband internet access, retail distribution of fixed telephony services, leased lines and in the market for multiple play offers. These cable companies mainly acquire distribution rights over broadcasters' radio and television channels (the wholesale market) in order to bring these channels to viewers (the downstream market), the Commission examined the wholesale market and, judging from Multikabel's small subscriber base, was able to conclude the proposed transaction would not alter the market structure in a manner detrimental to competition. The investigation of the relevant retail market showed no strain on competition either. The transaction was therefore cleared under the EU Merger Regulation.

"Merger: Commission approves proposed joint acquisition of Casema and Multikabel by Cinven and Warburg Pincus", IP/06/1156, press release of 6 September 2006

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