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PUBLIC VERSION

In the published version of this decision, some information has been omitted pursuant to Article 17(2) of Council Regulation (EC) No 139/2004 concerning non-disclosure of business secrets and other confidential information. The omissions are shown thus [...]. Where possible the information omitted has been replaced by ranges of figures or a general description.

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94200 Ivry-sur-Seine,
France

Subject: **Case M.11279 – CTS EVENTIM / FNAC DARTY / FRANCE BILLET**
Commission decision pursuant to Article 6(1)(b) of Council Regulation
No 139/2004¹ and Article 57 of the Agreement on the European Economic
Area²

Dear Sir or Madam,

- (1) On 10 September 2024, the European Commission (**‘Commission’**) received notification of a proposed concentration pursuant to Article 4 of the Merger Regulation, by which Fnac Darty Participations et Services SA (**‘Fnac Darty’**, France) and CTS Eventim AG & Co. KGaA (**‘CTS Eventim’**, Germany, and together with Fnac Darty the **‘Notifying Parties’**) will acquire within the meaning of Article 3(1), point (b) and Article 3(4) of the Merger Regulation joint control over France Billet SAS (**‘France Billet’**) by way of purchase of shares (the

¹ OJ L 24, 29.1.2004, p. 1 (the **‘Merger Regulation’**). With effect from 1 December 2009, the Treaty on the Functioning of the European Union (**‘TFEU’**) has introduced certain changes, such as the replacement of ‘Community’ by ‘Union’ and ‘common market’ by ‘internal market’. The terminology of the TFEU will be used throughout this decision.

² OJ L 1, 3.1.1994, p. 3 (the **‘EEA Agreement’**).

‘**Transaction**’).³ CTS Eventim, Fnac Darty and France Billet are collectively referred to as the ‘**Parties**’.

1. THE PARTIES

- (2) **CTS Eventim** operates in the event ticketing and the live entertainment sectors in the EEA, where its subsidiaries plan, prepare and perform tours and events, in particular concerts and musical events, and market musical productions.⁴
- (3) **Fnac Darty** is a fully owned subsidiary of Fnac Darty SA, which is the parent company of the Fnac Darty group. The Fnac Darty group is a European retailer of cultural and leisure goods, consumer electronics and household appliances.
- (4) **France Billet** is a French company active in the distribution of tickets in France, Belgium and Luxembourg. France Billet has the following subsidiaries: Tick & Live SAS, CTS Eventim France SAS, 123Billets SAS and Belgium Ticket SPRL.

2. THE CONCENTRATION

- (5) The Transaction consists in the acquisition of joint control by Fnac Darty and CTS Eventim over France Billet.
- (6) France Billet is currently solely controlled by Fnac Darty, which holds 52% of the shares. The remaining 48% of the shares are held by CTS Eventim. The Transaction consists in the acquisition of joint control by CTS Eventim and Fnac Darty over France Billet. Specifically, CTS Eventim will acquire an additional stake of 17% in France Billet by exercising a call option agreed in a Framework and Sale Purchase Agreement dated 31 October 2019 (‘**Framework Agreement**’). The remaining 35% of France Billet’s share capital will continue to be held by Fnac Darty.
- (7) The Framework Agreement foresees three phases,⁵ of which the current Transaction is the second:
 - (a) As a first step, that took place in 2019, France Billet acquired 100% of the share capital of CTS Eventim France SAS, a then wholly-owned subsidiary of CTS Eventim. At the same time, CTS Eventim acquired 48% of the share capital of France Billet and agreed to [details of transaction].
 - (b) As a second step, CTS Eventim is exercising an option to acquire an additional 17% of the share capital of France Billet. This is the current Transaction.
 - (c) As a third step, [details of transaction].⁶

³ OJ C, C/2024/5672, 19.9.2024.

⁴ CTS Eventim has recently acquired certain ticketing and festival activities (the ‘**Vivendi Business**’) from the Vivendi group (the ‘**Vivendi Transaction**’). Specifically, CTS Eventim acquired Vivendi’s ticketing businesses in Switzerland, the UK and the US, and Vivendi’s festival operations in France (the music festivals Garorock and Garosnow), Albania and the UK. As the Vivendi Transaction closed on 6 June 2024, prior to the formal notification of the current Transaction, the activities of CTS Eventim described in this decision also include the Vivendi Business acquired as part of the Vivendi Transaction.

⁵ The Notifying Parties note [...]. Form CO, Annex 1.1.A, page 1.

⁶ Form CO, Annex 1.1.A, page 1.

2.1. Joint control

- (8) [...]. Fnac Darty will, however, have a veto right over the preparation of, and any amendments to, the business plan as any such [...]. The business plan contains detailed information on France Billet's commercial objectives, i.e., financial aims and budgeting for 2024-2026, projected operating costs, the EBITDA, the EBIT and operational results as well as key performance indicators. As such, Fnac Darty's veto right on decisions relating to the business plan confers joint control on Fnac Darty over France Billet. France Billet will therefore be jointly controlled by CTS Eventim and Fnac Darty.
- (9) For this reason, CTS Eventim and Fnac Darty will acquire joint control over France Billet.

2.2. Full functionality

- (10) France Billet already has its own presence on the market. It has sufficient operational and financial resources to operate independently. France Billet will continue to carry out activities beyond one specific function of its parents. While more than 50% of tickets sold by France Billet are distributed through Fnac Darty's channels, France Billet deals – and will continue to deal – with its parents under the same commercial terms as those offered to third party distributors. Finally, France Billet is established for an indefinite period of time and, as such, is intended to operate on a lasting basis.⁷
- (11) Therefore, France Billet is a full function joint venture within the meaning of Article 3(4) of the Merger Regulation and, as a result of the Transaction, CTS Eventim and Fnac Darty will jointly control France Billet within the meaning of Article 3(1), point (b) and Article 3(4) of the Merger Regulation.

3. UNION DIMENSION

- (12) The undertakings concerned have a combined aggregate world-wide turnover of more than EUR 5 000 million (CTS Eventim: EUR 2 358.6 million; Fnac Darty: EUR 7 874.7 million)⁸. [Turnover data]. The Transaction therefore has a Union dimension.

4. INDUSTRY OVERVIEW

- (13) In this Section, the Commission provides an overview of the ticketing services in France as well as the services relating to the organisation, production and promotion of events in France, to provide context for the definition of the relevant markets in Section 5 and the competitive assessment in Section 7.
- (14) Bringing a live entertainment event to the consumer typically requires the interaction from a variety of market players, for which the exact scope of activities and links between them can differ greatly depending on the specific type of event. The market structure is complex and, according to the Notifying Parties,⁹ terms defining individual activities are not always consistently used within the industry.

⁷ Form CO, paragraph 20 and the Notifying Parties' to RFI 10, questions 1 and 2.

⁸ Turnover calculated in accordance with Article 5 of the Merger Regulation.

⁹ Notifying Parties' response to RFI 11, question 1a.

In addition, not all events require the use of the same stakeholders, as a result of which the value chain can be considered relatively fluid. Sections 4.1 and 4.2 provide a brief overview of some common elements required to bring a live entertainment event to the end consumer.

4.1. Production and organisation of events

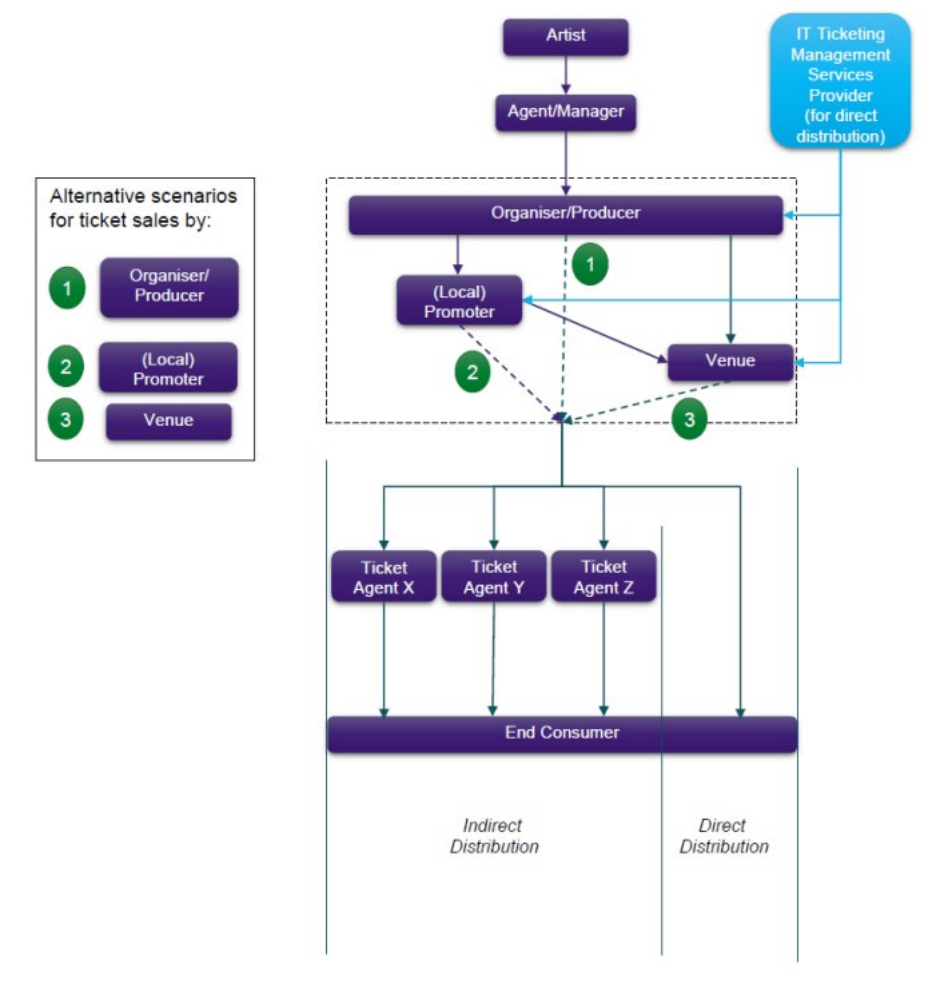
- (15) The production and organisation of events comprises, among others, the supply of financial, material and human resources needed to produce and present events. Depending on the type of event involved, this can include the following tasks: conceiving the event, finding the material and human resources to execute the event, training, financing, publicising, broadcasting, distributing tickets, organising security, etc.
- (16) At the same time, and for certain events such as music concerts, the artist or producer typically enters into a contractual relationship with a promoter under which the latter usually guarantees a minimum fee and subsequently bears the financial risk of an event. In this case, the promoter generates revenues through the sale of tickets for the event.¹⁰ A promoter then typically also undertakes a variety of activities necessary to ensure that the event can be successfully carried out, such as contracting the venue, organising advertising and on-site services such as catering and security. In these instances, it is typically the promoter who decides on the ticket distribution strategy and determines ticket prices.
- (17) For other types of events, the producer/organiser can be responsible for its promotion as well and would therefore carry the financial risk and undertake all activities of a promoter as described in the previous paragraph.¹¹
- (18) A simplified overview of the value chain and the relevant stakeholders involved in bringing a musical event to the end consumer on the primary market as prepared by the Notifying Parties is set out below as Diagram 1.¹²

¹⁰ According to the Notifying Parties, the promoter can sometimes also agree with the artist or producer on a split of ticket sales. Form CO, paragraph 76.

¹¹ Form CO, paragraphs 76 and 113.

¹² The reference to venues in Diagram 1 is included for completeness, as none of the Parties hold any controlling shareholding in any entertainment halls/venues in France, Belgium or Luxembourg. Form CO, paragraphs 218, 220, 224 and 228.

Diagram 1: Simplified overview of stakeholders for musical events



Source: Form CO, Annex 6.1.1

4.2. Ticketing

- (19) Ticketing consists of activities relating to the marketing of admission tickets to private individuals and businesses for concerts, sporting events, theatres, festivals, *etc.* This activity covers three services, namely the physical editing of tickets, their marketing – that is to say, their distribution between the different outlets — and their actual distribution to consumers.¹³
- (20) From a supply-side perspective, the company responsible for the distribution of tickets to a live entertainment event¹⁴ typically has three options available – either the company procures the tools necessary to enable it to distribute tickets itself (**‘direct distribution’**), or the distribution of tickets is outsourced to a third-party

¹³ Commission decision of 9 June 2023 in case M.10433 – *Vivendi/Lagardère*, paragraph 2010, and French Competition Authority decision n 14-DCC-53 of 11 April 2014, relating to the takeover of Kyo Concept by the Fimalac group and Fnac, paragraph 18.

¹⁴ This is often the producer or promoter, but can also be the venue in certain instances. According to the Notifying Parties, venues can be responsible for all or part of the tickets for a particular event. Form CO, paragraph 76.

company specialising in the distribution of tickets (**‘indirect distribution’**), or the company uses both channels in parallel.¹⁵

- (21) The ticket distribution strategy for an event (*i.e.*, deciding on the distribution channel as well as the specific suppliers) typically lies with the company holding the financial risk of the event. As explained in paragraph (16), this is typically the company responsible for the event’s promotion.
- (22) *Direct ticket distribution* means that producers, promoters and/or venues retain ticket distribution activities in-house. For this, they can procure ticketing solutions that typically consist of (i) an inventory management system and (ii) a white label web shop, enabling them to manage their event (e.g., seat mapping, organisation of different ticket price categories, etc.). Additional services such as customer relationship management (**‘CRM’**) solutions, business intelligence, marketing solutions, etc. can also be provided either integrated into the ticketing solution by the supplier of the ticketing solution or standalone by third parties. According to the Notifying Parties, the ticketing solution is often provided as software-as-a-service.¹⁶
- (23) *Indirect ticket distributors* operate a ticketing system, the core of which consists of (i) a database containing the various events for which tickets are sold (**‘inventory’** or **‘catalogue of events’**), and (ii) a web shop through which consumers can purchase tickets for those events within the distributor’s inventory. The database can contain events of numerous different venues, producers and promoters, as the case may be.
- (24) Certain indirect ticket distributors engage distribution channel partners to increase the number of sales outlets for their tickets.¹⁷ In this case, the distribution channel partner has a direct contractual relationship only with the indirect distributor, not with the promoter/venue or the end-consumer.¹⁸
- (25) For tickets sold via indirect distribution, the ticket distributor acts as an intermediary – any direct contractual relationship remains between the consumer purchasing the ticket and the producer, organiser, promoter or venue (depending on which company is in charge of the ticket distribution strategy for a given event) . Indirect ticket distributors therefore aggregate a catalogue of events and tickets and essentially operate as a two-sided platform: producers/ promoters pay to have their tickets contained within the distributor’s catalogue and distributed via the online sales platform, while consumers use the platform to search, pay for and receive tickets. The direct users of the ticketing system are thus the producers/promoters as these have a contractual relation with and technical connection to the ticketing

¹⁵ Form CO, paragraphs 49 and 76. In this sector, producers/organisers of events, or venues, generally use direct and indirect distribution simultaneously with the aim of maximising their reach and, as a result, ticket sales. France Billet estimates that [20-40]% of tickets processed by Tick&Live are sold through indirect distributors, see Form CO, Annex 5.4.A, Analysis Group, Market Study of the Ticketing Business in France, 2 May 2024, paragraph 61.

¹⁶ The Notifying Parties submit that they do not supply their IT solutions enabling direct distribution to other ticketing companies and are not aware of any competitors that do so. Form CO, paragraphs 49, 62, 88, and 97-98.

¹⁷ According to the Notifying Parties, distribution channel partners are “*sub-agents engaged by ticket agents to maximize their reach*”. They “*can be third party web shops, retail chains, physical points of sale, or travel agencies*”. Form CO, paragraph 57.

¹⁸ Form CO, paragraph 80.

system. By contrast, consumers should be considered as customers in a downstream market for the purchase of ticketing for events.

- (26) Certain ticketing systems for direct and indirect ticket distribution in France use interfaces, which enable the exchange of information about the inventory, reservations and bookings for a particular event between different ticketing systems in order to facilitate the sale of tickets for one single event by multiple indirect ticket distributors and IT ticketing management solutions. If the interface is bidirectional and operates in real time, it can allow parallel distribution of tickets for the same event by numerous companies (direct distributor, indirect distributors, distribution channel partners) without the risk of double-booking tickets.¹⁹
- (27) A real-time interface ('RTI') relies on Application Programming Interfaces ('APIs') in order for different distribution systems to communicate and synchronize data in real time. It creates a link between the IT solution for direct distribution on the one hand and IT solutions for indirect distribution on the other hand. As a result, it is possible for an indirect distributor to request and retrieve information on ticket availability, sales, and reservations. Using the RTI, the system managing the inventory is, for example, able to block a seat for the first distributor who reserves it. As a result, when another distributor tries to reserve the same seat, the central system prevents the reservation. For this process to work, the Notifying Parties explain that a company must have access to an API, a robust system, and reliable data storage/cloud infrastructure to ensure scalability and performance.²⁰
- (28) On the other hand, the Notifying Parties also identify two other types of systems that are used in France to enable multiple distributors to sell tickets for the same event: a so-called contingency interface, which is used to exchange data about events for which pre-defined tickets have been allocated to different distributors and as a result of which no ticket distributor has access to the same tickets, and a so-called manual contingency, whereby a ticket distribution service is entrusted with a pool of tickets (e.g., via email) without access to a central platform to be distributed through its network.²¹
- (29) According to the Notifying Parties, the current market trend is towards disintermediation of ticket distribution and away from the use of indirect ticket distribution channels. While respondents to the market investigation noted the importance of access by indirect ticket distributors to France Billet's RTIs,²² the Notifying Parties submit that companies responsible for ticket distribution (be it the organiser, producer, promoter or venue) increasingly prefer to sell tickets directly to end-customers. As a result, the use of RTIs would be decreasing.²³
- (30) From a demand-side perspective, tickets to events can be purchased either via online or via offline distribution channels, and, depending on the type of event, from a variety of market players such as the venue hosting the event, the company responsible for producing or promoting the event, and/or a dedicated ticketing company. Tickets can be purchased on a 'primary market', consisting of tickets

¹⁹ Form CO, paragraphs 63 and 233, and Notifying Parties' response to RFI 10, question 9a.

²⁰ Notifying Parties' response to RFI 10, question 9a.

²¹ Notifying Parties' response to RFI 10, question 9a.

²² Replies to Phase 1 Market Investigation, questions D.A.A.1.1 and E.A.4 for example.

²³ Notifying Parties' response to RFI 10, question 10.

purchased directly from promoters of events or their authorised distributors, or on a ‘secondary market’, consisting of tickets that are resold after they have previously been purchased on the primary market.

5. RELEVANT MARKETS

5.1. Introduction

- (31) France Billet, Fnac Darty and CTS Eventim provide ticketing services in France for the primary ticketing market. Related to those ticketing activities are CTS Eventim’s activities in the live entertainment industry in the EEA, and more specifically its organisation/production and promotion of events in France and in other EEA countries.

5.2. Ticketing

5.2.1. The Parties’ activities

- (32) France Billet is active on the ticketing market in Belgium, France and Luxembourg, offering solutions to producers/organisers of events, promoters and venues enabling their direct distribution of tickets, via its subsidiary Tick&Live.²⁴ France Billet is also active as an indirect distributor of tickets via online and offline distribution channels for a variety of events. France Billet’s event catalogue is distributed offline through distribution channel partners²⁵ (including large retailers such as Fnac Darty, Géant Casino and System U, and other distributors such as Kalidea and Veepee). Online distribution occurs via francebillet.com and fnacspectacles.com. Additionally, France Billet fully owns 123Billet SAS, which is active in the indirect distribution of tickets under the commercial name BilletRéduc.²⁶
- (33) France Billet has RTIs for direct distribution through Tick&Live SAS (‘**Tick&Live**’),²⁷ and for indirect distribution through its ticketing system Billetel.²⁸ By gaining access to France Billet’s RTI, a company would not automatically gain access to the RTI and/or distribution network of other distributors with which France Billet has established an RTI.²⁹

²⁴ Tick&Live services include Aparté, a ticketing solution focusing on live events (theatre, shows, cabaret, cultural centres, entertainment, and similar events) and Datasport, a sports-oriented ticketing solution. Tick & Live is jointly controlled by France Billet and the Fimalac group. Form CO, paragraphs 246-247.

²⁵ According to the Notifying Parties, distribution channel partners are “*sub-agents engaged by ticket agents to maximize their reach*”. They “*can be third party web shops, retail chains, physical points of sale, or travel agencies*”. Form CO, paragraph 57.

²⁶ Form CO, paragraph 290 and Annexes 8.1.3 and 5.4.A, Analysis Group, Market Study of the Ticketing Business in France, 2 May 2024, paragraph 17.

²⁷ France Billet’s subsidiary Tick&Live offers two solutions: Aparté and DataSPort. Aparté has RTIs with Billetel and BilletRéduc (both of France Billet), as well as [...], See Tickets, [...]. DataSPort has RTIs [...]. Notifying Parties’ response to RFI 10, question 9c.

²⁸ [details on RTI] as well as Trium (Ticketmaster), See Tickets and Galaxy (Disney). Notifying Parties’ response to RFI 10, question 9c.

²⁹ Notifying Parties’ response to RFI 10, question 9d.

- (34) Fnac Darty acts as a distribution channel partner for France Billet through its website and ticket sales points.³⁰ Like other distribution channel partners, Fnac Darty has entered into contracts with France Billet to act as sub-agent on a per-ticket commission basis and does not itself have any direct contractual relationship with promoters. For the purposes of its assessment, the Commission therefore allocates all Fnac Darty's ticket sales to France Billet.³¹ Fnac Darty is not active in direct distribution.³²
- (35) CTS Eventim provides IT ticketing management services enabling direct distribution of tickets across the EEA including in France – to France Billet as well as via its participation in the framework of two consortia – in Belgium and in Luxembourg.³³ CTS Eventim is also active to a limited extent as indirect distributor in Belgium³⁴ and Luxembourg,³⁵ but not in France.³⁶
- (36) CTS Eventim distributes directly tickets in France, and therefore requires IT ticketing management services, as organiser/promoter of the Garorock and Garosnow music festivals. Neither France Billet nor Fnac Darty are active in direct distribution of tickets.

5.2.2. *Product market definition*

5.2.2.1. *Previous practice*

- (37) The Commission has considered the existence of a potential market for ticketing in its 2023 decision in *Vivendi/Lagardère*.³⁷ In that decision, the Commission referred to a 2014 decision in which the French Competition Authority ('FCA') examined such activities in the French market, where the Transaction would have the largest impact.³⁸

³⁰ Fnac Darty does not act as a distribution channel partner for any other ticket distributor in Belgium, France or Luxembourg. Notifying Parties' response to RFI 15, question 1.

³¹ The same applies for all other distribution channel partners. Even if Fnac Darty's sales are not allocated to France Billet, this would not change the Commission's competitive analysis.

³² Form CO, paragraph 74.

³³ [details on consortia]. The first consortium has been created for the Olympic and Paralympic Games in Paris in 2024. These activities of CTS Eventim will cease after the end of the Olympic and Paralympic Games. Other members of this consortium are France Billet and Orange Business Service. CTS Eventim supplied its IT ticketing management software to the Committee for the Organisation of Paris 2024 ('OCOG'), enabling OCOG and a consortium between Wetix and 2 Circles to distribute the tickets. Via OCOG, CTS Eventim was active in the supply of IT ticketing management services in 2023 and 2024. The second consortium is in the context of supplying services to Réunion des musées nationaux – Grand Palais ('RMN-GP') from 2024 onwards. [Details on consortia]. For both consortia, CTS Eventim supplies its software EVENTIM Ticketing. [Details on consortia]. Form CO, paragraphs 98, 100, 234, 261-265, 270 and Annex 8.1.1.

³⁴ Via [CTS Group companies].

³⁵ Via [CTS Group companies]. Form CO, paragraph 243.

³⁶ Form CO, paragraphs 149-153 and 240.

³⁷ Commission decision of 9 June 2023 in case M.10433 – *Vivendi/Lagardère*.

³⁸ The FCA issued three decisions (two antitrust decisions and one merger control decision) assessing the definition and segmentation of the markets in the ticketing sector: Decision 04-D-66 of 1 December 2004 on practices implemented by Parisian venues and stadiums in the ticketing sector; Decision 12-D-27 of 20 December 2012 relating to practices identified in the entertainment ticketing sector; and Decision 14-DCC-53 of 11 April 2014, relating to the takeover of Kyro Concept by the Fimalac group and Fnac. The FCA has not published other decisions relating to the ticketing sector since 2014.

- (38) The FCA noted that the rights holder for a show has the choice between different means and sales channels to distribute tickets, with the ultimate goal being to sell tickets to consumers.³⁹
- (39) The FCA distinguished between the markets for direct distribution on the one hand and indirect distribution on the other hand.⁴⁰ In the context of *direct distribution*, the producer/organiser or the venue sells all or part of the seats in its own name and on its own behalf. Direct distribution can be carried out in several ways: box-office sales, use of IT ticketing management software, use of a self-ticketing solution⁴¹. In the context of *indirect distribution*, the producer/organiser or the venue uses a third-party supplier for the distribution and/or marketing of tickets. Noting the complementary between these two distribution channels, the FCA stressed that direct and indirect distribution are often used simultaneously by producers/organisers or venues in order to increase ticket sales.⁴²
- (40) *As regards direct distribution*, the FCA considered whether the market should be segmented according to (i) the categories of events (sporting events, museums/exhibitions, shows/concerts, *etc.*), (ii) the services provided (software, access control services, *etc.*) or (iii) the IT solution used (IT ticketing management software or self-ticketing). The FCA ultimately left the precise scope of the relevant product market open.⁴³
- (41) *As regards indirect distribution*, the FCA considered whether the market for the indirect distribution of tickets should be segmented according to (i) the distribution channel (online vs offline), (ii) the category of event (music/concert, theatre/comedy, tourism/leisure/parks, shows, sport, arts/museums, dance/classical music, cinema, *etc.*), and (iii) the nature of the services offered.⁴⁴ The FCA ultimately left the precise scope of the relevant product market open.
- (42) In *Vivendi/Lagardère*, while it ultimately left the precise scope of the product market open, the Commission considered, for the purposes of its analysis, an overall market for the distribution of tickets as well as potential segments corresponding to direct and indirect distribution. As for direct distribution, the Commission also considered possible segmentations corresponding to (i) the categories of events, (ii) the services provided or (iii) the IT solution used.⁴⁵

5.2.2.2. *The Notifying Parties' views*

- (43) The Notifying Parties propose an overall market for the direct and indirect distribution of tickets. They also submit that the supply of IT ticketing management services should constitute a separate market.⁴⁶

³⁹ FCA opinion n° 21-A-08 of 27 May 2021 relating to a request from the Committee on Cultural Affairs and Education of the Parliament in the music sector, paragraph 103.

⁴⁰ FCA decision 14-DCC-53, paragraph 19. Form CO, paragraphs 49 and 77.

⁴¹ Self-ticketing is further explained in paragraph (47) and footnote 50.

⁴² FCA decision 14-DCC-53, paragraphs 20 and 23.

⁴³ FCA decision 14-DCC-53, paragraphs 23-25.

⁴⁴ FCA decision 14-DCC-53, paragraphs 18-25

⁴⁵ Commission decision of 9 June 2023 in case M.10433 – *Vivendi/Lagardère*, paragraphs 2026-2028.

⁴⁶ Form CO, paragraphs 52, 68, 91 and 93.

- (44) First, the Notifying Parties consider there should be no segmentation between direct and indirect ticket distribution due to the increasing competition between the two.⁴⁷
- (45) Second, as regards indirect distribution of tickets, the Notifying Parties submit that any further segmentation of a potential market for indirect distribution of tickets is not appropriate as this does not reflect economic reality.⁴⁸
- (46) The types of events would not change the type of software-based ticketing system used by indirect ticket distributors and remain the same regardless of the type of event or distribution channel. The same could be said for the different types of distribution channel (online vs offline), as the vast majority of indirect ticket distributors are active via both distribution channels where they rely on the same ticketing system. According to the Notifying Parties, from a demand-side perspective, event producers/venues choose the indirect ticket distributor according to which distributor will maximise the sales of their tickets, without significant impact by the type of event.⁴⁹
- (47) Finally, the Notifying Parties submit that, as regards direct distribution, no further segmentation is warranted between self-ticketing solutions and IT ticketing management software due to the lack of major differences between the two types of solutions.⁵⁰ Similarly, the Notifying Parties stress that, even though some suppliers specialise in specific categories of events, the same software is offered to customers irrespective of the event type and customers do not choose their supplier on the basis of the events for which the supplier typically supplies IT ticketing management services.⁵¹

5.2.2.3. *The Commission's assessment*

- (48) In relation to a potential distinction between direct and indirect distribution of tickets, a small majority of respondents to the market investigation expressing a view indicate that these should not constitute separate markets.⁵² Respondents cite complementarity of the two distribution channels as a reason for an overall market. A minority of respondents that expressed a view refer to differences between clients, needs, services, competitors and fiscal conditions as reasons justifying a distinction between the two.⁵³
- (49) In relation to direct distribution, the majority of respondents that expressed a view agreed with a segmentation for direct distribution of tickets by category of event, type of services and IT solution, in line with the FCA precedent.⁵⁴ For example, one respondent indicated that “*l’existence de solutions de distribution directe spécifiques pour les [...] spectacles vivants ou concert [...] qui diffèrent de celles*

⁴⁷ Form CO, paragraph 52.

⁴⁸ Form CO, paragraph 68.

⁴⁹ Form CO, paragraph 68.

⁵⁰ The Notifying Parties submit that self-ticketing and IT ticketing management software are both IT solutions enabling direct distribution of tickets. According to the Notifying Parties, self-ticketing solutions are offered as a ‘pure’ software without additional services, whereas IT ticketing management solutions include services in addition to software. Form CO, paragraphs 89-91.

⁵¹ Form CO, paragraphs 89-93.

⁵² Replies to Phase 1 Market Investigation, question D.A.A.1.

⁵³ Replies to Phase 1 Market Investigation, question D.A.A.1.1.

⁵⁴ Replies to Phase 1 Market Investigation, question D.A.A.1.1.

par exemple spécifiques aux événements sportifs qui peuvent nécessiter de gérer par exemple de l'abonnement, ou des év[è]nements dont la date ou l'affiche est aléatoire au fil de la compétition. Les solutions peuvent également permettre de gérer des spécif[i]cités tenant à la complexité de la salle comme par exemple le fait qu'il y ait un seul accès ou plusieurs, le besoin de gérer différents horaires d'accès".⁵⁵

- (50) In relation to IT ticketing management services specifically, a majority of respondents that expressed a view indicated that the ticketing solutions do not differ depending on the category of event.⁵⁶ In fact, some respondents noted that even within the same type of event, customers can have different requirements, to which certain suppliers can cater.⁵⁷ Responses as to whether ticketing solutions enabling direct distribution should be further segmented by type of IT solution used, indicated that IT ticketing management software and self-ticketing could belong to separate markets.⁵⁸ For example, one respondent explained that self-ticketing solutions are generally not interfaced to IT ticketing management software, while another stated that IT ticketing management software can offer more services. In addition, a respondent also observed that “*l'économie des solutions de self billetterie est différente des solutions de gestion informatique de billetterie; leur utilisation entraîne une gestion de la billetterie non uniforme et donc plus contraignante*”.⁵⁹
- (51) The market investigation results were more mixed in relation to indirect distribution of tickets. A majority of respondents that expressed a view agreed with a segmentation of indirect distribution of tickets in France by distribution channel, type of event and nature of services, in line with the FCA's precedent.⁶⁰ Nonetheless, when asking respondents that offer or procure indirect distribution services if these differ depending on the type of event for which they are used, the majority of respondents that expressed a view disagreed.⁶¹
- (52) In light of the above, including the contradictory views expressed by market participants described in the previous paragraph, and for the purposes of this decision, the Commission considers that the exact product market definition with regard to the distribution of tickets can be left open, as the Transaction does not raise serious doubts as to its compatibility with the internal market under any plausible product market definition. The Commission will conduct its assessment considering the ticketing market from the perspective of companies sourcing ticketing services, whereby the overall ticketing market (comprising both direct and indirect distribution) covers the solutions required to enable direct or indirect distribution respectively. As a result, the ticketing market covers the solutions enabling direct and indirect distribution and does not include the activities of the undertakings whose tickets are being distributed via these solutions, that are considered in the upstream market(s) of organisation, production and promotion of events or separately in the operation of venues.

⁵⁵ Reply to Phase 1 Market Investigation, question D.A.A.1.1.

⁵⁶ Replies to Phase 1 Market Investigation, question D.A.A.2.

⁵⁷ Replies to Phase 1 Market Investigation, question D.A.A.2.1.

⁵⁸ Replies to Phase 1 Market Investigation, question D.A.A.3.

⁵⁹ Reply to Phase 1 Market Investigation, question D.A.A.4.1.

⁶⁰ Replies to Phase 1 Market Investigation, question D.A.A.B.1.

⁶¹ Replies to Phase 1 Market Investigation, question D.A.A.B.2.

5.2.3. Geographic market definition

5.2.3.1. Previous practice

- (53) In its *Vivendi/Lagardère* decision, the Commission, referring to the 2014 FCA decision, considered the market for ticketing national in scope.⁶²

5.2.3.2. The Notifying Parties' views

- (54) The Notifying Parties agree that the geographic scope for the distribution of tickets is national in scope, irrespective of its potential segmentations.⁶³
- (55) From a supply-side perspective, the Notifying Parties consider that so-called Ticket Distribution Layers ('TDLs'), [details on TDL], have a standardised base but are adapted for different national markets in order to take account of national differences such as language, regulation, tax system, information obligations, *etc.*
- (56) From a demand-side perspective, the Notifying Parties submit that the vast majority of tickets distributed are for events taking place at national level and to consumers located in the country where the event takes place. While TDLs can be connected in order to enable the sale of tickets for events taking place in another country, in 2022, far below [0-5]% of the worldwide distributed tickets by CTS Eventim were sold in this way. Similarly, less than [0-5]% of tickets distributed by France Billet were for events outside of France.⁶⁴
- (57) As regards IT ticketing management services specifically, the Notifying Parties stress the importance of national regulations specific to France which affect the design and functionalities of the software for IT ticketing management services. As a result, software underlying IT ticketing management services used in other countries cannot be automatically used in France. Furthermore, customers sourcing IT ticketing management services regularly need IT support which requires a national presence of the supplier, and the events for which tickets are distributed are national.⁶⁵

5.2.3.3. The Commission's assessment

- (58) The results of the market investigation generally support the Notifying Parties' view that the market for the distribution of tickets – and its possible segmentations – is national in scope.
- (59) In relation to a potential market for the indirect distribution of tickets, from the supply-side perspective, a majority of respondents expressing a view submit that indirect distribution services are offered at a national level, as they offer their services only in France. Only a small number of respondents offer their indirect ticket distribution services in multiple countries, sometimes only in Francophone countries.⁶⁶ Similarly, from a demand-side perspective, the majority of respondents

⁶² FCA decision 14-DCC-53, paragraphs 26-27, M.10433 – *Vivendi/Lagardère* paragraphs 2031-2032.

⁶³ Form CO, paragraphs 81-86.

⁶⁴ Form CO, paragraphs 82-84.

⁶⁵ Form CO, paragraphs 95- 96.

⁶⁶ Replies to Phase 1 Market Investigation, questions D.A.B.B.1 and D.A.B.B.1.1.

expressing a view procure indirect distribution services at national level, procuring these services only from national suppliers.⁶⁷

- (60) In relation to a potential market for the supply of solutions enabling direct distribution, the results of the market investigation were mixed. From a demand-side-perspective, the majority of respondents expressing a view consider the market to be national in scope. Nonetheless, from a supply-side perspective, only a large minority of respondents expressing a view consider the market to be national in scope, and nearly the same number of respondents consider the market could have a scope larger than national (be it EEA-wide, global or other).⁶⁸ Amongst the respondents, some refer to the possibility to sell tickets to customers located anywhere in the world for events taking place in France, even if this accounts for a minority of tickets sold.⁶⁹
- (61) Nothing in the market investigation suggests that the geographic scope of the market would differ for any possible further sub-segmentations for either indirect distribution of tickets or the supply of solutions enabling direct distribution of tickets.⁷⁰
- (62) In light of the results of the market investigation as set out above and for the purposes of this decision, also taking into account that France Billet is mainly active in one Member State,⁷¹ the Commission will assess the market for the distribution of tickets and any possible further sub-segments at national level.

5.3. Production and organisation of events

- (63) Artists usually entrust the organisation of their shows to artistic agents. The latter negotiate the artistic and financial conditions of the artist's participation in an event with the producers or organisers of shows.

5.3.1. The Parties' activities

- (64) CTS Eventim is active in the live entertainment sector where it plans, prepares and performs tours and shows, and in particular concerts and musical events, and markets musical productions. CTS Eventim provides such services throughout the EEA, including in France, Belgium and Luxembourg.
- (65) In France, CTS Eventim mainly sells shows to third-party local promoters (including, for example, Gérard Drouot Productions).⁷² CTS Eventim is currently active on the potential overall market for the organisation, production and promotion of events in France to a minor extent with the show "Holiday on Ice" and the concert "The World of Hans Zimmer", whose promotion is entrusted by

⁶⁷ Replies to Phase 1 Market Investigation, questions D.A.B.B.2 and D.A.B.B.2.1.

⁶⁸ Replies to Phase 1 Market Investigation, questions D.A.B.A.1 and D.A.B.A.2.

⁶⁹ Replies to Phase 1 Market Investigation, questions D.A.B.A.2 and D.A.B.A.2.1.

⁷⁰ Replies to Phase 1 Market Investigation, questions D.A.B.A.1.1, D.A.B.A.2.1, and D.A.B.B.1.1.

⁷¹ In the EEA, France Billet is predominantly active in France, with some limited sales in Belgium and Luxembourg (where their shares on all possible segments are below 20%). It follows that France Billet's market share on the market for the distribution of tickets (and its possible segmentations) at the EEA level would necessarily be much smaller than in France. Form CO, Annex 4. As mentioned in paragraph (56), less than [0-5]% of tickets distributed by France Billet were for events outside of France, Form CO, paragraphs 82-84.

⁷² Form CO, paragraph 109.

CTS Eventim to local promoters.⁷³ Following the Vivendi Transaction,⁷⁴ CTS Eventim is also active on this market with the music festivals Garorock and Garosnow, for which it also acts as a promoter.^{75,76} CTS Eventim is also active on the market for the organisation, production and promotion of events in Belgium and in Luxembourg.⁷⁷

(66) France Billet and Fnac Darty are not active on this market.⁷⁸

5.3.2. Product market definition

5.3.2.1. Previous practice

(67) The Commission has considered the existence of a potential market for the production and organisation of events in case M. 10433 – *Vivendi/Lagardère*.⁷⁹ As mentioned above, the Commission referred to a 2014 decision by the FCA in which the latter examined such activities in the French market.⁸⁰

(68) In its decision, the FCA noted that “*différentes segmentations des grands métiers du spectacle vivant peuvent être envisagées. Ainsi, une fois le spectacle créé, le producteur pourra soit le présenter directement au public, soit le vendre à un diffuseur ou à un promoteur qui prendra en charge sa diffusion*”.⁸¹

(69) The FCA then considered whether the market for the production and organisation of events could be segmented according to (i) the main live entertainment professions (ii) the type of event (*e.g.*, concert, theatre, shows (humour, musicals, circus, *etc.*), opera/classical music, sporting events, museum/exhibitions, theme parks, *etc.*) or (iii) the size/reputation of the show organiser/producer. The FCA ultimately left the precise scope of the relevant product market open.⁸² In *Vivendi/Lagardère*, the Commission followed a similar approach.⁸³

⁷³ Form CO, paragraphs 213-215. CTS Eventim has [...] contractual relationships with a number of local promoters in France regarding the promotion of “Holiday on Ice”. “The World of Hans Zimmer” is promoted by Gérard Drouot Production.

⁷⁴ As described in footnote 4 in more detail.

⁷⁵ Form CO, paragraph 213.

⁷⁶ In 2022 and 2023, CTS Eventim was also active on the market for the organisation, production and promotion in France but all its events were promoted by local promoters, Form CO, paragraphs 216-217.

⁷⁷ Form CO, paragraphs 119, 219 and 223.

⁷⁸ Form CO, paragraph 108.

⁷⁹ Commission decision of 9 June 2023 in case M.10433 – *Vivendi/Lagardère*.

⁸⁰ FCA, decision DCC-53 of 11 April 2014, relating to the takeover of Kyro Concept by the Fimalac group and Fnac. The FCA has not published other decisions relating to the ticketing sector since 2014.

⁸¹ FCA decision 14-DCC-53, paragraph 10. The FCA referred to a Xerfi study of April 2011, “Le Spectacle vivant en France – Analyse du marché et perspectives à l’horizon 2015, positionnement et stratégies des opérateurs”. The Notifying Parties submit that the terms “diffuseur” and “promoteur”, as used by the FCA in its decision are synonyms. In its decision, the FCA also refers to “tourneur” as one of the major professions in live entertainment. According to the Notifying Parties, this refers to activities of a touring agent, which fall within the activities of organisers/producers. Notifying Parties’ response to RFI 11, question 1a.

⁸² FCA decision 14-DCC-53, paragraphs 10-12.

⁸³ M.10433 – *Vivendi/Lagardère*, paragraphs 1979-1977.

5.3.2.2. *The Notifying Parties' views*

- (70) The Notifying Parties consider that there is an overall market comprising different professions including the organisation, production and promotion of events – in which CTS Eventim is to a minor extent active in France – without any segmentation.⁸⁴
- (71) First, the Notifying Parties consider that the promotion of events is part of a market that includes the organisation and production of events and that it would be artificial and not reflective of market realities to segment between organisation, production and promotion of events.⁸⁵ The Notifying Parties explain that the promotion of events comprises a variety of activities including contracting with the venue, determining ticket prices, deciding the ticket distribution strategy and contracting with the ticketing companies, organising the advertising for the event, organising necessary services on-site, as well as catering and security, if required.⁸⁶ In addition, the person/company carrying out the promotion of an event also bears the financial risk associated with that event.⁸⁷
- (72) The Notifying Parties stress that, from the perspective of the ticketing companies, there is no reason to distinguish between these activities because ticketing companies negotiate and contract with the person who is responsible for the promotion of the event. This can be a promoter, but it can also be the organiser/producer of the event itself or the venue.⁸⁸ Furthermore, the Notifying Parties note that the use of local promoters is mainly relevant for “touring events” (i.e., where the act/artist is usually not performing at a permanent location, but at different venues over a certain period of time) such as concerts, shows, *etc.* In any event, the Notifying Parties consider that the involvement of local promoters used to be more frequent in the past than it is today, because of the progress in the technology and mobility, making it easier for producers/organisers to carry out the promotion themselves.⁸⁹
- (73) In any event, according to the Notifying Parties, it can be left open whether there is a segment for the promotion of events that would be distinct from the segment for the organisation and production of events, since no competition concerns arise under any plausible product market definition.⁹⁰
- (74) Second, the Notifying Parties consider that the market for the organisation, production and promotion of events should not be segmented by type of events because (i) market players are active across segments and (ii) the production requirements and necessary tools are often similar across segments.⁹¹ In any event, according to the Notifying Parties, it can be left open whether the market for the organisation, production and promotion of events should be segmented by type of

⁸⁴ Form CO, paragraphs 110-117.

⁸⁵ Form CO, paragraph 117.

⁸⁶ Form CO, paragraph 113.

⁸⁷ Form CO, paragraph 114 and FCA decision 14-DCC-53, paragraphs 10-12.

⁸⁸ Form CO, paragraph 115.

⁸⁹ Form CO, paragraph 116.

⁹⁰ Form CO, paragraphs 118-124.

⁹¹ Form CO, paragraphs 125-135.

event, since no competition concerns arise under any plausible product market definition.⁹²

- (75) Finally, the Notifying Parties consider that this market should not be segmented according to the size/reputation of the show organiser, producer or promoter because (i) organisers/producers/promoters generally have events of very different sizes in their portfolio and (ii) also smaller organisers/producers/promoters, who start with small events of less known artists can “grow” with their artists if the popularity of the artist grows.⁹³
- (76) While the Notifying Parties consider that the market reality does not depict such a segmentation, if at all, a potential segmentation could only be considered with respect to “high ticket volume top act” artists. In any event, the Notifying Parties consider that it can be left open whether there is a separate segment of the market for the production, organisation and/or promotion of events for “high ticket volume top acts”, since no competition concerns arise under any plausible product market definition.⁹⁴

5.3.2.3. *The Commission’s assessment*

- (77) First, the market investigation led to mixed results as to whether the production, organisation and promotion of events belong to the same market. The majority of the respondents that expressed a view considered that the production and organisation of events, on the one hand, and the promotion of events, on the other hand, belong to distinct markets.⁹⁵ A few respondents noted however that the situation may differ depending on the type of events (for example, the distinction may be more blurred in relation with sporting events).⁹⁶ The results of the market investigation also confirmed that companies offering production and organisation services generally also offer promotion services.⁹⁷
- (78) In addition, the responses provided by respondents to the market investigations showed, as argued by the Notifying Parties, that the lines between the different activities are often blurred such that the terms producers, organisers or promoters can describe different activities, depending on their primary focus (e.g., concerts vs. sporting events). For instance, one respondent indicated that “*le métier de promoteur de spectacles est peu dissocié de la notion de producteur de spectacles pour le secteur que je connais, à savoir ce qui est théâtre / comédie/ spectacle vivant hors musiques et concerts*”.⁹⁸ Similarly, while the majority of the respondents to the market investigation that expressed a view confirmed that it is the promoter of an event that bears the financial risks associated with the particular event and is responsible for the choice of ticket distribution channels, others considered that this was not the case.⁹⁹
- (79) In view of the above, the Commission will consider an overall market for the production and organisation of events, that includes promotion activities as well as

⁹² Form CO, paragraphs 136-139.

⁹³ Form CO, paragraphs 140-144.

⁹⁴ Form CO, paragraph 145.

⁹⁵ Replies to Phase 1 Market Investigation, question D.B.A.2.

⁹⁶ Replies to Phase 1 Market Investigation, question D.B.A.2.1.

⁹⁷ Replies to Phase 1 Market Investigation, question D.B.A.3.

⁹⁸ Reply to Phase 1 Market Investigation, question D.B.A.2.1.

⁹⁹ Reply to Phase 1 Market Investigation, question D.B.A.1.

two distinct segments, for the production and organisation of events (excluding promotion) on the one hand, and for the promotion of events on the other hand.

- (80) Second, the majority of the respondents to the market investigation that expressed a view confirmed that a segmentation of the market for the production and organisation of events according to the type of event is relevant in France.¹⁰⁰ For example, a respondent indicated that “*Chaque typologie de spectacles fait appel à des producteurs spécifiques et des réseaux de promotion particulier*”.¹⁰¹ Several respondents noted that this was particularly the case in relation to the production and organisation of sporting events compared to other types of events.¹⁰²
- (81) Finally, the majority of the respondents to the market investigation that expressed a view indicated that producers and organisers of a larger size/with a bigger reputation are able to offer different types of services/service different types of events than smaller/less well-known players.¹⁰³ This appears to be due notably to the financial capacity of these market players.¹⁰⁴ Furthermore, respondents to the market investigation also singled out very large events (referred to as ‘high ticket volume top acts’ throughout this decision).¹⁰⁵
- (82) In view of the above, the Commission considers that, for the purposes of this decision, the exact scope of the product market definition regarding the production and organisation of events can be left open, as the Transaction does not raise serious doubts as to its compatibility with the internal market under any plausible product market definition.

5.3.3. Geographic market definition

5.3.3.1. Previous practice

- (83) In its *Vivendi/Lagardère* decision, the Commission, referring to the 2014 FCA decision, considered that the market for the production and organisation of events is national in scope, taking into account in particular, the fact that exclusivities are typically granted by artists at the national level, and the need to pool production costs.¹⁰⁶

5.3.3.2. The Notifying Parties’ views

- (84) The Notifying Parties agree that the market is national because (i) artists usually enter into contracts with organisers, producers and/or promoters of events on a national basis, (ii) the successful promotion of an event requires local knowledge

¹⁰⁰ Replies to Phase 1 Market Investigation, question D.B.A.5.

¹⁰¹ Reply to Phase 1 Market Investigation, question D.B.A.5.1.

¹⁰² Reply to Phase 1 Market Investigation, question D.B.A.5.1. One respondent noted that “*l’organisation ou la production d’événements sportifs n’est en rien comparable à celle d’un spectacle du fait notamment des différences tenant à la nature même des événements, aux acteurs parties prenantes. A noter également, la fiscalité française différenciée selon la typologie de spectacles qui a défini des taux de TVA différent selon la typologie du spectacle*”. Another one said that “*Si les opérations de promotions peuvent être substantiellement identiques pour tous les arts de la scène, il existe une distinction très forte pour la catégorie des événements sportifs*”.

¹⁰³ Replies to Phase 1 Market Investigation, question D.B.A.8.

¹⁰⁴ Replies to Phase 1 Market Investigation, question D.B.A.8.1.

¹⁰⁵ Replies to Phase 1 Market Investigation, questions D.B.A.7.1 and D.B.1.1.

¹⁰⁶ FCA decision 14-DCC-53, paragraph 13.

and local presence, and (iii) producers and organisers in France do not operate outside of France.¹⁰⁷

5.3.3.3. The Commission's assessment

- (85) The market investigation delivered mixed results as to the relevant geographic scope of the market for the production and organisation of events (and plausible segmentations thereof, potentially including promotion). Certain respondents indicated that this market is national and the same number of respondents indicated that this market is larger than national or EEA-wide.¹⁰⁸ A potential delineation of a geographic market scope 'larger than national' is along linguistic borders, as indicated by some respondents to the market investigation.¹⁰⁹
- (86) Several respondents to the market investigation explained that the geographic scope of this market may vary depending on the type of event. For example, a ticketing company indicated that *"dès lors que l'événement a une portée internationale (tourné internationale d'un artiste), la concurrence peut s'exercer au-delà des limites d'un territoire national"*. Another one said that, while *"[s]ur le marché de la musique, il nous semble que [l]a concurrence s'exerce au niveau EEE voire mondiale pour les événements de premier plan"*, *"[l]a concurrence s'exerce au niveau national, voire régionale pour les autres types d'événements"*.¹¹⁰
- (87) The majority of respondents that expressed a view confirmed that, in circumstances where an event takes place in several EEA Member States, a different promoter is used for each Member State.¹¹¹ Several respondents explained that the importance of having a local promoter is notably justified by the necessity to possess an expertise of the territory concerned in particular in relation to applicable laws and taxes, communication channels, ticket distribution channels, etc.¹¹² For example, one respondent explained that *"la production et l'exploitation sur un territoire nécessite une connaissance du territoire d'accueil (salles, communication, système de billetterie). L'exploitation sur un territoire donné, nécessite donc de faire appel à un promoteur local ou éventuellement un producteur local. En conséquence, nous pensons que la concurrence est surtout présente au niveau national [...]"*.¹¹³
- (88) The results of the market investigation suggest therefore that, while at least for some events (notably large ones such as so-called high ticket volume top acts), competition may take place at the EEA level, it remains important for the promoter to have a national anchorage. However, nothing in the market investigation suggests that the geographic scope of the market would differ if considering its potential segments.¹¹⁴

¹⁰⁷ Form CO, paragraph 148.

¹⁰⁸ Replies to Phase 1 Market Investigation, question D.B.B.1.

¹⁰⁹ Replies to Phase 1 Market Investigation, question D.B.B.1.1.

¹¹⁰ Replies to Phase 1 Market Investigation, question D.B.B.1.1.

¹¹¹ Replies to Phase 1 Market Investigation, question D.B.B.2.

¹¹² Replies to Phase 1 Market Investigation, question D.B.B.2.1. For example, a respondents noted that *"Un promoteur a l'expertise de son territoire géographique, d'où l'importance de les différencier d'un pays à l'autre car chaque pays de l'EEE a ses propres spécificités (TVA, communication, réseaux de distribution de billetterie...)"*. Another one indicated that *"La production et L'exploitation sur un territoire nécessite une connaissance du territoire d'accueil (salles, communication, système de billetterie). L'utilisation d'un promoteur loca[l] est donc impérative."*

¹¹³ Replies to Phase 1 Market Investigation, question D.B.B.1.1.

¹¹⁴ Replies to Phase 1 Market Investigation, question D.B.B1.1.

- (89) The Commission notes that, for the purposes of this decision, the exact scope of the geographic market definition regarding the production and organisation of events (and plausible segmentations thereof) can be left open between national, larger than national or EEA-wide, as the Transaction does not raise serious doubts as to its compatibility with the internal market under any of these plausible geographic market definitions.

6. MARKET SHARES

- (90) According to the Horizontal Guidelines¹¹⁵ and the Non-Horizontal Guidelines,¹¹⁶ in the assessment of the effects of a merger, market shares constitute a useful first indication of the structure of the markets at stake and of the competitive importance of the relevant market players.
- (91) In this Section, the Commission presents the market shares of the Parties in the markets listed in Section 5 above or their potential segments where the Parties have overlapping activities and/or the markets are relevant to the non-horizontal assessment.
- (92) In relation to ticketing markets, the Notifying Parties put forward shares based on a market study by Analysis Group.¹¹⁷ This market study provides France Billet's shares in France generally as well as for potential segments based on type of event for each of indirect distribution and IT ticketing management services enabling direct distribution. For the other potential segmentations of the ticketing market, the shares provided by the Notifying Parties represent their reasonable best estimates in line with paragraph 112 of the Market Definition Notice.¹¹⁸ Market share estimates for the ticketing markets are all volume-based,¹¹⁹ as the Notifying Parties submit there is insufficient information publicly available from which to determine value-based shares for all potential market segments. In any event, the Notifying Parties submit that their respective shares are unlikely to significantly differ if provided by value.¹²⁰
- (93) In relation to the markets for the production and organisation of events, the Notifying Parties put forward shares based on a study by the *Bundesverband der Konzert- und Veranstaltungswirtschaft*, a German business association, and on the ranking 'Yearend Top 300 Concert Crosses' by Pollstar, a trade magazine.¹²¹

¹¹⁵ Guidelines on the assessment of horizontal mergers under the Council Regulation on the control of concentrations between undertakings, OJ C 31, 5.2.2004, p. 5–18 (**'Horizontal Guidelines'**), paragraph 14.

¹¹⁶ Guidelines on the assessment of non-horizontal mergers under the Council Regulation on the control of concentrations between undertakings, OJ C 265, 18.10.2008, p.6 (**'Non-Horizontal Guidelines'**), paragraph 24.

¹¹⁷ Form CO, Annex 5.4.A.: Analysis Group, Market Study of the Ticketing Business in France, 2 May 2024.

¹¹⁸ Commission Notice on the definition of the relevant market for the purposes of Union competition law, OJ C, C/2024/1645, 22.2.2024 (**'Market Definition Notice'**).

¹¹⁹ Notifying Parties' response to RFI 12, question 1.a.

¹²⁰ Notifying Parties' response to RFI 13, question 1.

¹²¹ The Notifying Parties note that they are unaware of any publicly available sources providing a comprehensive overview of the market for the production and organisation of events in the EEA. The Notifying Parties therefore used several sources to provide market sizes and shares according to their best estimates. To the extent the publicly available information was incomplete, the Notifying Parties adjusted the data according to the best of their knowledge and based on their industry knowledge. Notifying Parties' response to RFI 12, question 1.b.v.

Market share estimates for the markets for the organisation and production of events are all value-based. The Notifying Parties submit that their respective shares are unlikely to significantly differ if provided by volume.¹²²

- (94) **Table 1** provides an overview of the Parties' market shares for 2023 in the ticketing market in France for those segments where at least one of the Parties' shares exceeds 5%.

Table 1: Ticketing – Parties' national market shares by volume – France – 2023

Market	France Billet ¹²³	CTS Eventim	Combined
Overall			
<i>Overall market</i>	[5-10]%	[0-5]%	[5-10]%
<i>Segmented by type of event</i>			
<i>Shows/concerts</i>	[30-40]%	-	[30-40]%
<i>Sports</i>	[20-30]%	[20-30]%	[40-50]%
<i>Segmented by distribution channel</i>			
<i>Online</i>	[5-10]%	[0-5]%	[5-10]%
<i>Offline</i>	[5-10]%	-	[5-10]%
<i>Segmented by services provided</i>			
<i>Access control services</i>	<[5-10]%	[0-5]%	<[5-10]%
<i>Software</i>	[5-10]%	[0-5]%	[5-10]%

Source: Notifying Parties' response to RFI 13, Annex RFI 13 Q2, and response to RFI 14

- (95) The Notifying Parties submit that France Billet's shares in France have not been materially different in 2021 or 2022.¹²⁴ As regards CTS Eventim, the Notifying Parties stress that CTS Eventim did not supply IT ticketing management services in France in 2021-2023 except for its participation in two consortia, as explained in more detail in paragraph (35) above. As a result, its market shares in 2021 and 2022 on the market for the supply of IT solutions enabling direct distribution (and any of its potential sub-segments) in France would be zero.¹²⁵
- (96) The Parties' respective shares on the segment for the distribution of tickets for sports events, and any further segment relating to sports events, would give rise to an affected market in 2023. In this respect, the Commission notes that CTS Eventim's shares in 2023 for sports events relate only to its participation in a consortium created for the Olympic and Paralympic Games in Paris in 2024, where CTS Eventim was active as supplier of its IT ticketing management software. These ticketing activities of CTS Eventim ceased after the end of the Olympic and Paralympic Games. In line with paragraph 15 of the Horizontal Guidelines, current market shares can be adjusted to reflect reasonably certain future changes. Furthermore, the Commission interprets market shares in the light of likely market conditions. As mentioned in the previous paragraph, CTS Eventim's market share in this segment in France was zero in both 2021 and 2022. Moreover, with the exception of CTS Eventim's participation in the mentioned consortium, that is not active anymore in the ticketing market, CTS Eventim does not have any market share in sport events, either in 2023 or at present. Therefore, the Commission

¹²² Notifying Parties' response to RFI 12, questions 1.b.v and 2.

¹²³ Fnac Darty's ticketing activities are limited to any sales achieved as a distribution channel partner for France Billet. As mentioned in paragraph (34) above, all sales achieved by France Billet's distribution channel partners, therefore also those achieved by Fnac Darty, are allocated to France Billet.

¹²⁴ Form CO, paragraphs 289 and 294.

¹²⁵ Notifying Parties' response to RFI 12, question 6.

considers that the sport segment is not a horizontally affected market. In any case and in light of the above, the Transaction does not give rise to serious doubts as to its compatibility with the internal market with respect to the overlap between the Parties on any segments relating to sports events in France.

- (97) The Notifying Parties also submit that the Parties' respective shares in France in 2021-2023 would not materially differ when looking at potential narrower market segmentations of the overall market for ticket distribution by combining type of event with distribution channel or services provided, or by combining distribution channel with services provided.¹²⁶
- (98) **Table 2** provides an overview of France Billet's market shares for 2023 in the indirect ticket distribution market and any potential sub-segments in France. CTS Eventim was not active in indirect ticket distribution in France in any of 2021-2023.¹²⁷

Table 2: Indirect ticket distribution – France Billet national market shares by volume – France – 2023

Market	France Billet ¹²⁸
<i>Overall</i>	
<i>n/a</i>	[10-20]%
<i>Segmented by type of event</i>	
<i>Music/concert</i>	[20-30]%
<i>Theatre/comedy</i>	[50-60]%
<i>Sport events</i>	[5-10]%
<i>Tourism attractions and parks</i>	[5-10]%
<i>Museums/exhibitions</i>	[5-10]%
<i>Dance/classical music</i>	[10-20]%
<i>Cinema</i>	[0-5]%
<i>Segmented by distribution channel</i>	
<i>Online sales</i>	[10-20]%
<i>Offline sales</i>	<[10-20]%

Source: Notifying Parties' response to RFI 12, Annex RFI 12 Q6

- (99) The Notifying Parties submit that France Billet's shares in France have not been materially different in 2021 or 2022.¹²⁹
- (100) Furthermore, the Notifying Parties submit that France Billet's shares in France would not materially differ for 2021-2022 on the narrowest potential market segmentation for indirect ticket distribution, combining category of events with distribution channel.¹³⁰

¹²⁶ The only exception where France Billet's shares would increase on a more narrowly defined market relate to tickets for museums/exhibitions, where France Billet's shares would in any event not exceed 10% on a segment combining the type of event with distribution channel. Notifying Parties' response to RFI 10 question 4 and Notifying Parties response to RFI 12 Annex RFI 12 Q6.

¹²⁷ Form CO, paragraph 184.

¹²⁸ Fnac Darty's ticketing activities are limited to any sales achieved as a distribution channel partner for France Billet. As mentioned in paragraph (34) above, all sales achieved by France Billet's distribution channel partners, therefore also those achieved by Fnac Darty, are allocated to France Billet.

¹²⁹ Form CO, paragraph 289.

¹³⁰ Notifying Parties' response to RFI 12, Annex RFI 12 Q6.

- (101) **Table 3** provides an overview of the Parties' market shares for 2023 in the market for direct ticket distribution, and any potential sub-segments where at least one of the Parties' shares exceed 5%, in France.

Table 3: Direct distribution – Parties' national market shares by volume – France – 2023

Market	France Billet ¹³¹	CTS Eventim
<i>Overall</i>		
<i>n/a</i>	[5-10]%	[0-5]%
<i>Segmented by type of event</i>		
<i>Shows/concerts</i>	[30-40]%	-
<i>Sport events</i> ¹³²	[20-30]%	[20-30]%
<i>Segmented by services provided</i>		
<i>Software</i>	[5-10]%	[5-10]%
<i>Segmented by IT solution</i>		
<i>IT ticketing management solutions</i>	[5-10]%	[5-10]%

Source: Notifying Parties' Response to RFI 13, Annex RFI 13 Q2, and response to RFI 14

- (102) The Notifying Parties submit that the France Billet's shares in France have not been materially different in 2021 or 2022.¹³³ In 2021 and 2022, CTS Eventim's shares for IT ticketing management solutions enabling direct distribution of tickets in France would have been zero, as the OCOG and RMN-GP consortia did not distribute in tickets in France those years.¹³⁴
- (103) The Notifying Parties submit that the Parties' shares in France would not materially differ for 2021-2023 on the narrowest potential market segmentation for direct distribution, combining the type of event with services provided, and the type of event with IT solution.¹³⁵
- (104) **Table 4** provides an overview of the Parties' market shares for 2023 for the distribution of tickets in Belgium and Luxembourg for those segments where either of the Parties' respective shares exceed 5%.

¹³¹ Fnac Darty's ticketing activities are limited to any sales achieved as a distribution channel partner for France Billet. As mentioned in paragraph (34) above, all sales achieved by France Billet's distribution channel partners, therefore also those achieved by Fnac Darty, are allocated to France Billet.

¹³² As mentioned in paragraph (96) above, the Commission considers that CTS Eventim's shares for sports events relate to a one-off event (the 2024 Olympic Games). With the exception of its market shares from this consortium, CTS Eventim does not have any further market shares in France for ticketing.

¹³³ Form CO, paragraph 294.

¹³⁴ Notifying Parties' response to RFI 12 question 6.

¹³⁵ Notifying Parties' response to RFI 12, Annex RFI 12 Q6.

Table 4: Ticket distribution – Parties’ national market shares by volume – Belgium and Luxembourg – 2023

	Belgium		Luxembourg	
Market	France Billet ¹³⁶	CTS Eventim	France Billet ¹³⁷	CTS Eventim
<i>Overall market distribution of tickets</i>				
<i>n/a</i>	<[0-5]%	[5-10]%	<[0-5]%	[5-10]%
<i>Segmented by category of events</i>				
<i>Shows/concerts</i>	<[0-5]%	[10-20]% ¹³⁸	<[0-5]% ¹³⁹	[10-20]%
<i>Segmented by services provided</i>				
<i>Software</i>	<[0-5]%	[0-5]-[5-10]%	<[0-5]%	[0-5]-[5-10]%
<i>Access control services</i>	<[0-5]%	[0-5]-[5-10]%	<[0-5]%	[0-5]-[5-10]%
<i>Segmented by distribution channel</i>				
<i>Online</i>	<[0-5]%	[0-5]-[5-10]%	-	[0-5]-[5-10]%
<i>Offline</i>	<[0-5]%	[0-5]-[5-10]%	<[0-5]%	[0-5]-[5-10]%

Source: Notifying Parties’ response to RFI 12, Annex RFI 12 Q6

- (105) The Notifying Parties submit that the Parties’ respective shares in Belgium and Luxembourg have not been materially different in 2021 or 2022.¹⁴⁰
- (106) The Notifying Parties submit that the Parties’ shares in Belgium and Luxembourg would also not materially differ when looking at potential narrower market segmentations by combining type of event with distribution channel or services provided, or by combining distribution channel with services provided.¹⁴¹
- (107) **Table 5** provides an overview of CTS Eventim’s market shares for 2023 in Belgium and Luxembourg for direct distribution of tickets for those segments where its shares exceed 5%. France Billet and Fnac Darty did not supply IT ticketing management solutions in Belgium or Luxembourg in any of 2021-2023.¹⁴²

¹³⁶ Fnac Darty’s ticketing activities are limited to sales achieved as a distribution channel partner for France Billet. As mentioned in paragraph (34) above, all sales made by France Billet’s distribution channel partners, including by Fnac Darty, are allocated to France Billet.

¹³⁷ Fnac Darty’s ticketing activities are limited to any sales achieved as a distribution channel partner for France Billet. As mentioned in paragraph (34) above, all sales achieved by France Billet’s distribution channel partners, therefore also those achieved by Fnac Darty, are allocated to France Billet.

¹³⁸ The Notifying Parties confirm that the Parties’ combined share remains below 20%. Notifying Parties’ response to RFI 12, Annex RFI 12 Q6.

¹³⁹ The Notifying Parties confirm that the Parties’ combined share remains below 20%. Notifying Parties’ response to RFI 12, Annex RFI 12 Q6.

¹⁴⁰ Notifying Parties’ response to RFI 12, Annex RFI 12 Q6.

¹⁴¹ Notifying Parties’ response to RFI 12, Annex RFI 12 Q6.

¹⁴² Form CO, paragraphs 256-257, and 272.

Table 5: Direct distribution– CTS Eventim national market shares by volume – Belgium and Luxembourg – 2023

Market	Belgium	Luxembourg
<i>Overall market distribution of tickets</i>		
<i>Overall</i>	[10-20]%	[10-20]%
<i>Segmented by category of events</i>		
<i>Shows/concerts</i>	[20-30]%	[20-30]%
<i>Segmented by services provided</i>		
<i>Software</i>	[10-20]%	[10-20]%
<i>Access control services</i>	[10-20]%	[10-20]%
<i>IT solution</i>		
<i>IT ticketing management solutions</i>	[10-20]%	[10-20]%
<i>Self-ticketing</i>	[10-20]%	[10-20]%

Source: Notifying Parties' response to RFI 12, Annex RFI 12 Q6

- (108) The Notifying Parties submit that CTS Eventim's shares in Belgium and Luxembourg have not been materially different in 2021 or 2022.¹⁴³
- (109) The Notifying Parties submit that CTS Eventim's shares in Belgium and Luxembourg would not materially differ for 2021-2023 on the narrowest potential market segmentation for direct distribution, combining categories of events with distribution channel, and category of events with IT solution.¹⁴⁴
- (110) As regards the supply of indirect ticket distribution services in Belgium and Luxembourg, the Notifying Parties submit that none of the Parties' shares exceed 5% for 2021-2023, irrespective of the potential market segmentation.¹⁴⁵
- (111) **Table 6** provides an overview of CTS Eventim's market shares for 2023 in the market for the organisation, production and promotion of events (including any of its potential sub-segments where CTS Eventim is active) at EEA-wide level. Neither France Billet nor Fnac Darty are active on these markets in the EEA.¹⁴⁶

¹⁴³ Notifying Parties' response to RFI 12, Annex RFI 12 Q6.

¹⁴⁴ Notifying Parties' response to RFI 12, Annex RFI 12 Q6.

¹⁴⁵ Notifying Parties' response to RFI 12, Annex RFI 12 Q6.

¹⁴⁶ Form CO, paragraph 227.

Table 6: Organisation, production and promotion of events – CTS Eventim market shares by value – EEA – 2023

Segment	Organisation, production and promotion of events	Organisation and production of events	Promotion of events
Overall			
<i>Overall</i>	[0-5]%	[0-5]%	[0-5]%
Segmented by size of event¹⁴⁷			
<i>High ticket volume top act</i>	[10-20]%	[5-10]%	[10-20]%
<i>Other</i>	[0-5]%	[0-5]%	[0-5]%
Segmented by type of event			
<i>Concerts</i>	[0-5]%	[0-5]%	[0-5]%
<i>Shows</i>	[0-5]%	[0-5]%	[0-5]%
<i>Museums/exhibitions</i>	[0-5]%	[0-5]%	[0-5]%

Source: Notifying Parties' response to RFI 10, Annex RFI 10 Q3 Tables 1-3

- (112) With the exception of 'high ticket volume top acts', the Notifying Parties submit that CTS Eventim's shares at EEA-wide level would not be materially different for 2021 or 2022. For 'high ticket volume top acts', the Notifying Parties explain that CTS Eventim's share was [20-30]% in 2022 and [0-5]% in 2021 as it did not organise, produce or promote any high ticket volume top acts in the EEA as a result of COVID.¹⁴⁸
- (113) **Table 7** provides an overview of CTS Eventim's market shares for 2023 in the market for the organisation, production and promotion of events (including any potential sub-segments where CTS is active) in the French-speaking territories in the EEA.

Table 7: Organisation, production and promotion of events – CTS Eventim market shares by value – French-speaking territories in the EEA – 2023

Market	Organisation, production and promotion of events	Organisation and production of events	Promotion of events
Overall			
<i>Overall</i>	[0-5]%	[0-5]%	[0-5]%
Segmented by size of event			
<i>High ticket volume top act</i>	[0-5]%	[0-5]%	[0-5]%
<i>Other</i>	[0-5]%	[0-5]%	[0-5]%
Segmented by type of event			
<i>Concerts</i>	[0-5]%	[0-5]%	[0-5]%
<i>Shows</i>	[0-5]%	[0-5]%	[0-5]%
<i>Museums/exhibitions</i>	[0-5]%	[0-5]%	[0-5]%

Source: Notifying Parties' response to RFI 10, Annex RFI 10 Q3 Tables 4-6

¹⁴⁷ In light of the Notifying Parties' submission that 'top acts' are regularly produced/organised by large and well-known show organisers/producers, but that the latter also regularly organise/produce smaller acts, and for purposes of this decision, the Commission will use the market segmentation by size of event as a proxy for any potential segmentation by size/recognition of organiser/producer. Notifying Parties' response to RFI 12, question 3.b.iii.

¹⁴⁸ Notifying Parties' response to RFI 12, questions 1.b.ii and 1.b.iii.

- (114) With the exception of ‘high ticket volume top acts’, the Notifying Parties submit that CTS Eventim’s shares would not be materially different for 2021 or 2022 within the French-speaking territories of the EEA. For ‘high ticket volume top acts’, the Notifying Parties explain that CTS Eventim’s share was 1-10% in 2022 and zero in 2021 for the reasons set out in paragraph (112) above.
- (115) In France, the Notifying Parties submit that CTS Eventim’s shares do not exceed 5% for 2021-2023 on the market for the production and organisation of events or any of its potential sub-segments.¹⁴⁹

7. COMPETITIVE ASSESSMENT

7.1. Identification of the affected markets

7.1.1. Affected markets

- (116) The Transaction gives rise to a vertical relationship between (i) the upstream market for production and organisation of events (and its potential segments) in France, which could either be a national market, part of a wider market in French-speaking territories within the EEA¹⁵⁰ or an EEA-wide market, on which CTS Eventim is active (CTS Eventim, EEA: [0-20%],¹⁵¹ in the French-speaking territories within the EEA: [0-5%],¹⁵² in France: [0-5%]¹⁵³, 2023) and (ii) several segments of the markets for the distribution of tickets in France, on which France Billet is active and has market shares exceeding 30%¹⁵⁴, more specifically the following potential segments:¹⁵⁵
- (a) The potential segment for the distribution of tickets for shows and concerts in France (France Billet, [30-40]%, 2023);
 - (b) The potential segment for the IT ticketing management solutions enabling direct distribution of tickets for shows and concerts in France (France Billet, [30-40]%, 2023);
 - (c) The potential segment for the indirect distribution of tickets for theatre and comedy in France (France Billet, [50-60]%, 2023);¹⁵⁶
- (117) The Transaction also gives rise to conglomerate relationships, specifically between (i) CTS Eventim’s activities in the production and organisation of events, in cases where CTS Eventim is not the promoter of such events and therefore does not enter into a contractual relationship with the company offering direct/indirect distribution

¹⁴⁹ Notifying Parties’ response to RFI 12, Annex RFI 12 Q7a and response to RFI 13, question 4.

¹⁵⁰ Covering Belgium, France, Luxembourg and Western Switzerland.

¹⁵¹ Notifying Parties’ to RFI 10, question 1, Annex 3. The ranges provided for the market shares cover the market for the production and organisation of events overall, as well as its potential segments.

¹⁵² Notifying Parties’ to RFI 10, question 1, Annex 3. The ranges provided for the market shares cover the market for the production and organisation of events overall, as well as its potential segments.

¹⁵³ Form CO, paragraphs 164-165.

¹⁵⁴ As explained in paragraph(34), above, Fnac Darty acts as a distribution channel partner for France Billet through its website and ticket sales points. As a result, the Commission allocates all Fnac Darty’s ticket sales to France Billet.

¹⁵⁵ France Billet’s shares would not be significantly different on the narrowest potential markets combining various segments of the markets for the distribution of tickets in France (for example, segmenting the potential overall market for the distribution of tickets both by category of events as well as by distribution channel). Form CO, paragraph Annexes RFI 10 Q3 and RFI 10 Q4.

¹⁵⁶ Form CO, Annex 8.1.3.

services, and (ii) France Billet's ticketing activities, as the latter are two steps down the value chain from the event organisation (with the third-party promoter being in the middle).

- (118) These relationships are assessed because they fall under a safeguard in case of which the Commission can discretionarily decide to treat a market under the normal procedure.¹⁵⁷

7.1.2. Horizontal overlaps, non-horizontal links and other issues not assessed in this decision

- (119) The Transaction also results in horizontal overlaps and non-horizontal links for a number of other markets. However, none of these overlaps or links give rise to affected markets within the meaning of recital 25(g) Annex I to Regulation (EU) 2023/914¹⁵⁸, as they meet the conditions for review under point 5 of the Notice on Simplified Treatment. Therefore, these overlaps will not be further discussed in this decision.
- (120) Furthermore, it results from the market investigation that several respondents raised two specific issues, relating to the structure of the market, and thus not in direct link to the effects of the Transaction. The first issue relates to the ability of the merged entity to tie/bundle France Billet's direct and indirect ticket distribution solutions. The second issue relates to an alleged lack of access by ticketing companies to the RTIs¹⁵⁹ operated by the largest ticketing companies active in France, including France Billet.
- (121) As regards the first issue, some respondents submit that France Billet has been restricting or degrading access to its indirect distribution services for those companies that do not use its IT solutions for direct distribution.¹⁶⁰
- (122) As regards the second issue, multiple respondents raised concerns about the inability of ticketing companies to credibly compete with the largest ticketing companies active in France, including France Billet, due to their lack of access to RTIs. Some respondents stressed that certain producers/organisers only consider ticketing solutions with access to these RTIs, as, without such access, they would be required to manually allocate quotas to ticketing companies. In the context of indirect distribution, and according to some respondents to the market investigation, new companies wishing to establish themselves as indirect ticket distributors in France do not have access to the RTIs, and, as a result, would not have real-time visibility over, and access to, the inventory of remaining tickets which would disincentivise producers/organisers from selling their tickets via such new distributors. A similar situation arises in the context of direct distribution. Commercialising an event would be more burdensome for a producer/organiser using IT solutions for direct distribution from companies without access to RTIs – without an RTI between the IT solution and an indirect distribution system, the

¹⁵⁷ In accordance with point 14 of the Notice on Simplified Treatment. Commission Notice on a simplified treatment for certain concentrations under Council Regulation (EC) No 139/2004 on the control of concentrations between undertakings 2023/C 160/01, OJ C 160, 5.5.2023, p. 1.

¹⁵⁸ Commission Implementing Regulation (EU) 2023/914 of 20 April 2023 implementing Council Regulation (EC) No 139/2004 on the control of concentrations between undertakings and repealing Commission Regulation (EC) No 802/2004, OJ L 119, 5.5.2023, p. 22.

¹⁵⁹ See paragraph (27) above.

¹⁶⁰ For example, Reply to Phase 1 Market Investigation, questions E.A.7.1 and E.A.8.1.

latter could not automatically and in real-time obtain access to the inventory of available tickets.¹⁶¹

- (123) In its review of the competitive effects of a proposed concentration, and in line with paragraph 9 of the Horizontal Guidelines, the Commission must limit its assessment to comparing the competitive conditions that would result from the notified merger with the conditions that would have prevailed without the merger. Therefore, any effects which are not merger-specific cannot be assessed within the framework of the EU Merger Regulation.
- (124) According to the Notifying Parties, neither of the issues set out in paragraph (120) above are merger-specific. As regards the potential bundling or tying of France Billet's direct and indirect ticket distribution solutions, the Notifying Parties submit that France Billet's market shares are too low to allow it to successfully implement any bundling or tying strategies. In light of CTS Eventim's limited and transitory presence on the ticketing markets in France, Belgium and Luxembourg, the Notifying Parties stress that the Transaction will not strengthen France Billet's position in these markets and will therefore not have an impact on its incentives to engage in any such bundling or tying strategies.¹⁶² For the same reasons, the Notifying Parties also submit that the Transaction will not have any impact on France Billet's incentive to grant and/or deny access to its RTI for competing ticket distributors and therefore any potential issue regarding access to France Billet's RTI would not be merger-specific as it would have been in place prior to the Transaction.¹⁶³
- (125) In the Commission's view, the responses to the market investigation clearly show that France Billet was already offering both indirect distribution services and IT ticketing management services prior to the Transaction and that the Transaction does not modify France Billet's incentives with respect to its offering.¹⁶⁴ In addition, the market shares submitted by the Notifying Parties support the argument that the Transaction does not strengthen France Billet's position on the ticketing market or any potential sub-segment thereof given the lack of overlaps in indirect distribution and the minimal overlaps in the supply of IT ticketing management services in France between France Billet and CTS Eventim (as set out in Section 6 above). As a result, the Transaction would not change France Billet's incentives to tie or bundle its solutions for direct and indirect distribution of tickets.
- (126) Similarly, as regards the lack of access by competitors to France Billet's RTI, the responses to the market investigation clearly show that lack of such access was already considered an issue prior to the Transaction and that the Transaction will not worsen such access.¹⁶⁵ CTS Eventim's limited presence on the ticketing market in France (or any of its potential sub-segments, as set out in Section 6) does not strengthen France Billet's position on the ticketing market in France. Furthermore, CTS Eventim's market share on the market for the production and organisation of events is limited to, according to the Notifying Parties, at most 10-20% at EEA,

¹⁶¹ For example, replies to Phase 1 Market Investigation, questions D.A.A.1.1, E.A.4, E.A.9.1.

¹⁶² Form CO, footnote 28, and Notifying Parties' response to RFI 10, question 11b.

¹⁶³ Notifying Parties response to RFI 10, question 11a.

¹⁶⁴ For example, replies to Phase 1 Market Investigation, question E.A.8.1.

¹⁶⁵ For example, replies to Phase 1 Market Investigation, question E.A.8.1, E.A.9.1., E.B.2.3, E.B.4.1.

Francophone and French levels.¹⁶⁶ As a result, the Transaction does not affect France Billet's incentive to grant and/or deny access to its RTI in France.¹⁶⁷

- (127) For these reasons, the Commission considers that the mentioned issues raised during the market investigation are not merger-specific and that these possible concerns do not fall under the scope of the Commission's review of the Transaction under the Merger Regulation. Therefore, they do not warrant further assessment in this decision.
- (128) The Commission notes that this conclusion about the merger-specificity and its assessment of the Transaction under the Merger Regulation is without prejudice to any eventual substantive assessment of these concerns under other competition rules. Articles 101 and 102 of the TFEU or any applicable national laws of the Member States of the European Union and the European Free Trade Area, for instance, continue to apply to any potential anticompetitive effects that might be caused by any conduct adopted by the Parties, or any agreements entered into between France Billet and CTS Eventim on the one hand and third parties on the other hand, be it before or after the closing of the current Transaction. The review of such effects under competition rules is not excluded under Art. 21(1) of the Merger Regulation.

7.2. Legal Framework

- (129) The Transaction does not give rise to horizontally affected market but does give rise to several non-horizontally affected relationships between the Parties. Two broad types of non-horizontal relationships can be distinguished: vertical relationships and conglomerate relationships. Vertical relationships involve companies operating at different levels of a supply chain where the vertical relationship is that of supplier or customer, whereas conglomerate relationships are between firms that are in a relationship which is neither horizontal nor vertical.¹⁶⁸
- (130) According to the Non-Horizontal Guidelines, non-coordinated effects may significantly impede effective competition as a result of a vertical merger if such merger gives rise to foreclosure concerns. Foreclosure occurs where actual or potential competitors' access to supplies or markets is hampered or eliminated as a result of the merger, thereby reducing those companies' ability and/or incentive to compete.¹⁶⁹ Such foreclosure may discourage entry or expansion of competitors or encourage their exit.¹⁷⁰
- (131) The Non-Horizontal Guidelines distinguish between two forms of foreclosure. Input foreclosure occurs where the merger is likely to raise the costs of downstream competitors by restricting their access to an important input.¹⁷¹ Customer foreclosure occurs where the merger is likely to foreclose upstream competitors by restricting their access to a sufficient customer base.¹⁷²

¹⁶⁶ Form CO, paragraphs 166 and 167, and Notifying Parties' response to RFI 10, Annex RFI 10 Q3.

¹⁶⁷ Notifying Parties' response to RFI 10, question 11.

¹⁶⁸ Non-Horizontal Guidelines, paragraphs 3-5.

¹⁶⁹ Non-Horizontal Guidelines, paragraph 18.

¹⁷⁰ Non-Horizontal Guidelines, paragraph 29.

¹⁷¹ The term "input" is used here as a generic term and may also cover services. Non-Horizontal Guidelines, page 11, footnote 2.

¹⁷² Non-Horizontal Guidelines, paragraph 30.

- (132) Foreclosure may also take more subtle forms, such as the degradation of the quality of input supplied. In its assessment, the Commission may consider a series of alternative or complementary possible strategies.¹⁷³
- (133) In assessing the likelihood of an anticompetitive foreclosure scenario, the Commission examines, first, whether the merged entity would have, post-merger, the ability to substantially foreclose access to inputs or customers, second, whether it would have the incentive to do so, and third, whether such a foreclosure strategy would have a significant detrimental effect on competition.¹⁷⁴
- (134) As regards conglomerate mergers, and according to the Non-Horizontal Guidelines, these will not lead to any competition concerns in the majority of cases.¹⁷⁵
- (135) However, foreclosure effects may arise when the combination of products in related markets may confer on the merged entity the ability and incentive to leverage a strong market position from one market to another closely related market by means of tying or bundling or other exclusionary practices. While tying and bundling have often no anticompetitive consequences, in certain circumstances such practices may lead to a reduction in actual or potential competitors' ability or incentive to compete. This may reduce the competitive pressure on the merged entity allowing it to increase prices.¹⁷⁶
- (136) In assessing the likelihood of such a scenario, the Commission examines, first, whether the merged firm would have the ability to foreclose its competitors¹⁷⁷, second, whether it would have the economic incentive to do so¹⁷⁸ and, third, whether a foreclosure strategy would have a significant detrimental effect on competition, thus causing harm to consumers.¹⁷⁹ These factors are cumulative and often examined together as they are closely intertwined.
- (137) In order to be able to foreclose competitors, the merged entity must have a significant degree of market power, which does not necessarily amount to dominance, in one of the markets concerned. The effects of tying or bundling can only be expected to be substantial when at least one of the merging parties' products is viewed by many customers as particularly important and there are few relevant alternatives for that product.¹⁸⁰ Further, for foreclosure to be a potential concern, it must be the case that there is a large common pool of customers, which is more likely to be the case when the products are complementary.¹⁸¹ Finally, bundling is less likely to lead to foreclosure if rival firms are able to deploy effective and timely counter-strategies, such as single-product companies combining their offers.¹⁸²

¹⁷³ Non-Horizontal Guidelines, paragraph 33.

¹⁷⁴ Non-Horizontal Guidelines, paragraphs 32 and 59.

¹⁷⁵ Non-Horizontal Guidelines, paragraph 92.

¹⁷⁶ Non-Horizontal Guidelines, paragraphs 91 and 93.

¹⁷⁷ Non-Horizontal Guidelines, paragraphs 95-104.

¹⁷⁸ Non-Horizontal Guidelines, paragraphs 105-110.

¹⁷⁹ Non-Horizontal Guidelines, paragraphs 111-118.

¹⁸⁰ Non-Horizontal Guidelines, paragraph 99.

¹⁸¹ Non-Horizontal Guidelines, paragraph 100.

¹⁸² Non-Horizontal Guidelines, paragraph 103.

- (138) The incentive to foreclose competitors through tying or bundling depends on the degree to which this strategy is profitable.¹⁸³ Bundling and tying may entail losses or foregone revenues for the merged entity.¹⁸⁴ However, they may also allow the merged entity to increase profits by gaining market power in the tied goods market, protecting market power in the tying good market, or a combination of the two.¹⁸⁵
- (139) It is only when a sufficiently large fraction of market output is affected by foreclosure resulting from the concentration that the concentration may significantly impede effective competition. If there remain effective single-product players in either market, competition is unlikely to deteriorate following a conglomerate concentration.¹⁸⁶ The effect on competition needs to be assessed in light of countervailing factors such as the presence of countervailing buyer power or the likelihood that entry would maintain effective competition in the upstream or downstream markets.¹⁸⁷
- (140) While the three above-mentioned factors (i.e. ability, incentive and effect) to competition concerns in non-horizontal mergers are often examined together as they are closely intertwined,¹⁸⁸ the EU courts have confirmed that “*those three conditions are cumulative, so that the absence of any of them is sufficient to rule out the likelihood of anti-competitive input foreclosure*”.¹⁸⁹

7.3. Vertical relationships

- (141) CTS Eventim is active on the market for the production and organisation of events (and its potential segments) in France, which could either be a national market, part of a wider market in the French-speaking territories or an EEA-wide market, and France Billet is active on the market for the distribution of tickets (and its potential segments) in France.
- (142) Before carrying out the competitive assessment of the vertical relationships resulting from the proposed Transaction, the Commission makes two preliminary remarks.
- (143) Firstly, as mentioned in Section 5.3.2, above, for the purposes of this decision, the Commission will consider an overall market for the production and organisation of events as well as two distinct segments (i) for the production and organisation of events (excluding promotion activities) and (ii) for the promotion of events. As explained in paragraph (78), above, the Commission understands that, in most instances, it is the promoter of an event that bears the financial risks associated with the particular event and that is responsible for the choice of ticket distribution channels. As such, it is the promoter (or the producer/organiser also acting as a promoter) that enters into a contractual relationship with the company offering direct/indirect distribution services.

¹⁸³ Non-Horizontal Guidelines, paragraph 105.

¹⁸⁴ Non-Horizontal Guidelines, paragraph 106.

¹⁸⁵ Non-Horizontal Guidelines, paragraph 108.

¹⁸⁶ Non-Horizontal Guidelines, paragraph 113.

¹⁸⁷ Non-Horizontal Guidelines, paragraph 114.

¹⁸⁸ Non-Horizontal Guidelines, paragraph 32.

¹⁸⁹ Judgment of the General Court on 23 May 2019, *KPN BV v European Commission*, Case T-370/17, ECLI:EU:T:2019:354, paragraph 119.

- (144) As mentioned in paragraph (65), in France, CTS Eventim mainly sells shows to third-party local promoters (including, for example, Gérard Drouot Productions) such that it has not been acting as a promoter in France for the past three years. It is only since the acquisition of the Garorock and Garosnow music festivals from Vivendi in 2024 that CTS Eventim is active as a promoter in France, but only with respect to these two festivals. CTS Eventim does not have any contractual relationship with France Billet either for direct or indirect distribution services in France.
- (145) It follows from the above that, for the purposes of this decision, the proposed Transaction only gives rise to a vertical relationship between CTS Eventim and France Billet when assessing an overall market for the production and organisation of events that includes promotion activities and the potential segment for the promotion of events (and their potential segments), and when considering the two newly acquired music festivals. The proposed Transaction does not create any vertical relationship with regards to the potential segment for the production and organisation of events (excluding promotion activities) because between such potential market and the potential ticket distribution market there would be the potential market for the promotion of events.¹⁹⁰
- (146) Secondly, the Commission notes that the FCA considered in its 2014 decision that the market for the indirect distribution of tickets was downstream from the market for the production and organisation of events.¹⁹¹ In contrast, the FCA considered that services for the direct distribution of tickets are an input enabling producers and organisers of events as well as venues to distribute their tickets.¹⁹² In *Vivendi/Lagardère*, the Commission analysed the effects of the Transaction as regards the market for the indirect distribution of tickets, upstream from the market for the operation of venues, downstream.¹⁹³
- (147) For the purposes of this decision, the Commission considers that the market for the production and organisation of events (and its potential segments) is upstream from the market for the distribution of tickets including both direct and indirect distribution (and its potential segments) because this reflects the value chain of tickets being offered and distributed via the event producer/organiser itself (in case of direct distribution) and/or specialised ticketing companies (in case of indirect distribution). Moreover, the potential existence of an overall market for the distribution of tickets (as explained in Section 5.2.2.3, above) speaks in favour of considering that the potential markets for direct distribution and indirect distribution are positioned at the same level of the value chain.
- (148) In this context, the following hypothetical foreclosure scenarios could arise:
- (a) CTS Eventim as producer and organiser of events stops making its events available for distribution via competing ticket distributors or makes it more difficult (input foreclosure);
 - (b) France Billet stops distributing tickets for events produced and organised by competing producers and organisers of events or makes it more difficult (customer foreclosure).

¹⁹⁰ Such relationship will however be assessed in Section 7.4, below, relating to conglomerate effects.

¹⁹¹ FCA decision 14-DCC-53, paragraph 30.

¹⁹² FCA decision 14-DCC-53, paragraphs 28 and 41.

¹⁹³ M.10433 – *Vivendi/Lagardère*, paragraph 2058 and Section 9.1.4.2.2.

7.3.1.1. *The Notifying Parties' views*

- (149) As a preliminary remark, the Notifying Parties consider that the market for IT ticketing management solutions enabling direct distribution is upstream from the market for the production and organisation of events as IT ticketing management solutions are an input to the producers and organisers of events.¹⁹⁴ In contrast, the Notifying Parties submit that the market for indirect distribution (and its potential segments) are downstream from the market for the production and organisation of events.¹⁹⁵ For the reasons set out in paragraph (147), the Commission considers both potential markets as well as a potential overall market for direct and indirect distribution to be downstream from the market for the production and organisation of events.

Vertical relationship between the market for the provision of IT ticketing management solutions enabling direct distribution (and its potential segments), upstream, and the production and organisation of events (and its potential segments), downstream.

- (150) As regards a potential scenario for *input foreclosure*, the Notifying Parties submit that the merged entity will not have the ability to restrict or refuse to supply their IT ticketing management solution to competing producers and organisers of events for the following reasons. First, France Billet does not have significant market power on the upstream market for IT ticketing management solutions in France and would continue facing multiple competitors such as Ticketmaster, or SecuTix. Second, such strategy would not lead to any profit gain on the downstream market. Third, according to the Notifying Party, there is no reason why Fimalac as the co-controller of Tick&Live and Fnac Darty as the co-controller of France Billet would support a strategy based on a reduction of sales for Tick&Live to the benefit of CTS Eventim.¹⁹⁶
- (151) As regards a potential scenario for *customer foreclosure*, the Notifying Parties submit that the merged entity will neither have the ability nor the incentive to restrict or refuse to make their events available to France Billet's competitors on the market for the supply of IT ticketing management solutions for live shows, in France, for the following reasons. First, CTS Eventim is not an important customer of IT ticketing management solutions for live shows in France as it only directly sells tickets for two festivals since 2024.¹⁹⁷ Second, in view of CTS Eventim's minimal scope of activities in France, such strategy would not harm Tick&Live's competitors on the market for the supply of IT ticketing management solutions in France.¹⁹⁸

Vertical relationship between the market for the production and organisation of events (and its potential segments), upstream, and the market for the provision of indirect distribution services for live shows, downstream.

- (152) As regards a potential scenario for *input foreclosure*, the Notifying Parties submit that the merged entity will neither have the ability nor the incentive to restrict or

¹⁹⁴ Form CO, paragraphs 158-160, referring to the FCA decision 14-DCC-53. See also Analysis Group, Market Study of the Ticketing Business in France, 2 May 2024, Form CO, Annex 5.4.A., paragraph 25.

¹⁹⁵ Form CO, paragraphs 156-157.

¹⁹⁶ Form CO, paragraphs 181-182, and 186.

¹⁹⁷ Garorock and Garosnow, acquired as part of the Vivendi transaction.

¹⁹⁸ Form CO, paragraphs 190 and 194.

refuse to make their events available to France Billet's competitors on the market for the indirect distribution of tickets for live shows, in France, for the following reasons. First, the Notifying Parties argue that, in France, CTS Eventim does not entertain contractual relationships with distributors regarding its events as, except in relation to two recently acquired festivals CTS Eventim uses local promoters. Second, CTS Eventim's share is minimal on the market for the production and organisation of events (and its potential segments) and does not indicate market power, regardless of the geographic scope of the market.¹⁹⁹

- (153) As regards a potential scenario for *customer foreclosure*, the Notifying Parties submit that the merged entity will neither have the ability nor the incentive to restrict or refuse to distribute tickets for events produced and organised by competitors, for the following reasons. First, France Billet is not an important customer for companies active in the production and organisation of events in France, which could easily turn to competitors such as Ticketmaster. They could also engage in direct distribution. Second, the producer and organiser of an event typically has significant negotiating power as it is economically responsible for distributing the tickets and determine their price.²⁰⁰ Third, according to the Notifying Party, there is no reason why Fnac Darty as a jointly controlling shareholder of France Billet would support a foreclosure strategy leading to a reduction of sales from France Billet to the benefit of CTS Eventim, on a market where Fnac Darty is active.²⁰¹

7.3.1.2. *The Commission's assessment*

7.3.1.2.1. Input foreclosure

- (154) For the reasons set out below and based on the results of the market investigation, the Commission considers that, post-Transaction, the merged entity would have neither the ability nor the incentive to foreclose its downstream rivals by adopting an input foreclosure strategy.
- (155) In any event, even if the merged entity engaged in such strategy, there would be no significant detrimental effects on competition in the downstream market for the distribution of tickets (and its potential segments).

Ability to foreclose

- (156) According to the Non-Horizontal Guidelines, for input foreclosure to be a concern, the vertically integrated firm resulting from the Transaction must have a significant degree of market power in the upstream market and the foreclosure has to concern an important input for the downstream competitors.
- (157) The Commission considers that CTS Eventim does not have a significant degree of market power in the relevant segments of the upstream market for the production and organisation of events in France, in the French-speaking territories within the EEA or in the EEA, as listed in paragraph (116) and that CTS Eventim's events are not an important input in the sense of the Non-Horizontal Guidelines for companies active on the downstream market.

¹⁹⁹ Form CO, paragraph 184.

²⁰⁰ Form CO, paragraphs 191-192.

²⁰¹ Form CO, paragraph 195.

- (158) First, as indicated in Section 6 above, in 2023, CTS Eventim had limited market shares on the market for the production and organisation of events (and its potential segments), regardless of the geographic scope of the market. Furthermore, Tables 8, 9 and 10 below show CTS Eventim's limited shares in 2023 for an overall market encompassing the organisation, production and promotion of events, as well as for the potential segment covering only the promotion of events, at French, Francophone and EEA-wide levels.
- (159) Second, CTS Eventim faces, and will continue to face, post-Transaction, numerous, strong competitors. According to the market share estimates provided by the Notifying Parties, and as illustrated in Tables 8-10 below, Live Nation is the clear leader on the market for the production and organisation of events with very high market shares going up to 50-60% on the market for the production and organisation of events for the segment representing high ticket volume top acts at the EEA, and 40-50% in France and the French-speaking territories within the EEA.²⁰² Other significant competitors include Fimalac and AEG Presents.

Table 8: Organisation, production and promotion of events – CTS Eventim and its main competitors' market shares by value – France – 2023

Segment	CTS Eventim	Live Nation	AEG Presents	Fimalac
Organisation, production and promotion of events				
<i>Overall</i>				
<i>Overall</i>	<[5-10]%	[5-10]%	[0-5]%	[10-20]%
<i>Segmented by size of event</i>				
<i>High ticket volume top act</i>	-	[40-50]%	[5-10]%	[10-20]%
<i>Other</i>	<[5-10]%	[5-10]%	[0-5]%	[10-20]%
<i>Segmented by type of event</i>				
<i>Concerts</i>	<[5-10]%	[5-10]%	[0-5]%	[10-20]%
<i>Shows</i>	<[5-10]%	[0-5]%	[0-5]%	[10-20]%
<i>Museums/exhibitions</i>	<[5-10]%	[0-5]%	-	[0-5]%
Organisation and production of events				
<i>Overall</i>				
<i>Overall</i>	<[5-10]%	[5-10]%	[0-5]%	[10-20]%
<i>Segmented by size of event</i>				
<i>High ticket volume top act</i>	-	[40-50]%	[5-10]%	[10-20]%
<i>Other</i>	<[5-10]%	[5-10]%	[0-5]%	[5-10]%
<i>Segmented by type of event</i>				
<i>Concerts</i>	<[5-10]%	[5-10]%	[0-5]%	[10-20]%
<i>Shows</i>	<[5-10]%	[0-5]%	[0-5]%	[10-20]%
<i>Museums/exhibitions</i>	<[5-10]%	[0-5]%	-	[0-5]%
Promotion of events				
<i>Overall</i>				
<i>Overall</i>	<[5-10]%	[5-10]%	[0-5]%	[10-20]%
<i>Segmented by size of event</i>				
<i>High ticket volume top act</i>	-	[40-50]%	[5-10]%	[10-20]%
<i>Other</i>	<[5-10]%	[5-10]%	[0-5]%	[5-10]%

²⁰²

The Notifying Parties' to RFI 10, Annex 3.

Segment	CTS Eventim	Live Nation	AEG Presents	Fimalac
Segmented by type of event				
<i>Concerts</i>	<[5-10]%	[5-10]%	[0-5]%	[10-20]%
<i>Shows</i>	-	[0-5]%	[0-5]%	[10-20]%
<i>Museums/exhibitions</i>	-	[0-5]%	-	[0-5]%

Source: Notifying Parties' Response to RFI 12, Annex RFI 12 Q7a

Table 9: Organisation, production and promotion of events – CTS Eventim and its main competitors' market shares by value – French-speaking territories in the EEA – 2023s

Segment	CTS Eventim	Live Nation	AEG Presents	Fimalac
Organisation, production and promotion of events				
Overall				
<i>Overall</i>	[0-5]%	[0-5]%	[0-5]%	[5-10]%
Segmented by size of event				
<i>High ticket volume top act</i>	[0-5]%	[40-50]%	[5-10]%	[10-20]%
<i>Other</i>	[0-5]%	[0-5]%	[0-5]%	[5-10]%
Segmented by type of event				
<i>Concerts</i>	[0-5]%	[0-5]%	[0-5]%	[5-10]%
<i>Shows</i>	[0-5]%	[0-5]%	[0-5]%	[5-10]%
<i>Museums/exhibitions</i>	[0-5]%	[0-5]%	-	[0-5]%
Organisation and production of events				
Overall				
<i>Overall</i>	[0-5]%	[0-5]%	[0-5]%	[5-10]%
Segmented by size of event				
<i>High ticket volume top act</i>	[0-5]%	[40-50]%	[0-5]%	[10-20]%
<i>Other</i>	[0-5]%	[0-5]%	[0-5]%	[5-10]%
Segmented by type of event				
<i>Concerts</i>	[0-5]%	[0-5]%	[0-5]%	[5-10]%
<i>Shows</i>	[0-5]%	[0-5]%	[0-5]%	[5-10]%
<i>Museums/exhibitions</i>	[0-5]%	[0-5]%	-	[0-5]%
Promotion of events				
Overall				
<i>Overall</i>	[0-5]%	[0-5]%	[0-5]%	[5-10]%
Segmented by size of event				
<i>High ticket volume top act</i>	[0-5]%	[40-50]%	[5-10]%	[10-20]%
<i>Other</i>	[0-5]%	[0-5]%	[0-5]%	[5-10]%
Segmented by type of event				
<i>Concerts</i>	[0-5]%	[0-5]%	[0-5]%	[5-10]%
<i>Shows</i>	[0-5]%	[0-5]%	[0-5]%	[5-10]%
<i>Museums/exhibitions</i>	[0-5]%	[0-5]%	-	[0-5]%

Source: Notifying Parties' Response to RFI 10, Annex RFI 10 Q3

Table 10: Organisation, production and promotion of events – CTS Eventim and its main competitors’ market shares by value – EEA – 2023

Segment	CTS Eventim	Live Nation	AEG Presents	DEAG
Organisation, production and promotion of events				
<i>Overall</i>				
<i>Overall</i>	[0-5]%	[0-5]%	[0-5]%	[0-5]%
<i>Segmented by size of event</i>				
<i>High ticket volume top act</i>	[10-20]%	[50-60]%	[5-10]%	-
<i>Other</i>	[0-5]%	[0-5]%	[0-5]%	[0-5]%
<i>Segmented by type of event</i>				
<i>Concerts</i>	[0-5]%	[0-5]%	[0-5]%	[0-5]%
<i>Shows</i>	[0-5]%	[0-5]%	[0-5]%	[0-5]%
<i>Museums/exhibitions</i>	[0-5]%	[0-5]%	-	[0-5]%
Organisation and production of events				
<i>Overall</i>				
<i>Overall</i>	[0-5]%	[0-5]%	[0-5]%	[0-5]%
<i>Segmented by size of event</i>				
<i>High ticket volume top act</i>	[5-10]%	[50-60]%	[5-10]%	-
<i>Other</i>	[0-5]%	[0-5]%	[0-5]%	[0-5]%
<i>Segmented by type of event</i>				
<i>Concerts</i>	[0-5]%	[0-5]%	[0-5]%	[0-5]%
<i>Shows</i>	[0-5]%	[0-5]%	[0-5]%	[0-5]%
<i>Museums/exhibitions</i>	[0-5]%	[0-5]%	-	[0-5]%
Promotion of events				
<i>Overall</i>				
<i>Overall</i>	[0-5]-%	[0-5]%	[0-5]%	[0-5]%
<i>Segmented by size of event</i>				
<i>High ticket volume top act</i>	[10-20]%	[50-60]%	[5-10]%	-
<i>Other</i>	[0-5]%	[0-5]%	[0-5]%	[0-5]%
<i>Segmented by type of event</i>				
<i>Concerts</i>	[0-5]%	[0-5]%	[0-5]%	[0-5]%
<i>Shows</i>	[0-5]%	[0-5]%	[0-5]%	[0-5]%
<i>Museums/exhibitions</i>	[0-5]%	[0-5]%	-	[0-5]%

Source: Notifying Parties’ Response to RFI 10, Annex RFI 10 Q3

- (160) Third, as explained in paragraph (65), above, except for two recently acquired festivals²⁰³ in France, CTS Eventim does not act as a promoter of events in France. As a result, it is not CTS Eventim that chooses and enters into contractual relationships with (direct or indirect) distributors but the local promoters. However, even if it would itself promote all the events in France that it organises, it is clear from CTS Eventim’s very limited market shares in France that its events do not constitute an important input for companies active on the market for the distribution of tickets in France.
- (161) For the reasons set out above, the Commission concludes that CTS Eventim does not have a significant degree of market power in the upstream market (and its relevant segments), that there are other important, credible players in the market that will continue to make their events available post-Transaction for distribution,

²⁰³

The Notifying Parties submit that these two music festivals are far too small in terms of size and ticket volume for an anticompetitive foreclosure strategy, Form CO, paragraph 184.

and thereby constraining the merged entity's ability to engage in input foreclosure strategies, and that its events are not an important input for companies active on the downstream market for the distribution of tickets (and its potential segments).

Incentive to foreclose

- (162) The Commission considers that due to the merged entity's lack of ability, it is not needed to assess whether it would have an incentive to engage in a foreclosure strategy for the purposes of the present decision.
- (163) In any event, the Commission considers that, post-Transaction, the merged entity would not have the incentive to foreclose France Billet's competitors in the market for the distribution of tickets (and its potential segments).
- (164) First, in its assessment of the likely incentives of the merged entity, the Commission may take into account various considerations such as the ownership structure of the merged entity.²⁰⁴ The Commission recalls that CTS Eventim, one of the parents of France Billet together with Fnac Darty, has limited presence on the downstream market for the distribution of tickets in France and, following the Transaction, will hold a 65% share in France Billet.²⁰⁵ Limiting the availability of CTS Eventim's events to competing distributors would lead to a lesser reach on the downstream market for CTS Eventim. Such loss will be all for CTS Eventim whereas any potential gain made on the downstream market will be shared between France Billet and Fnac Darty (active as a distribution channel partner of France Billet for indirect distribution).
- (165) Moreover, in this sector, the producers/organisers' or venues' decision about the type of ticket distribution is driven by the incentive to maximise tickets sales. That is the reason why they generally choose a multi-channel distribution of their tickets and allocate the distribution of their tickets between direct and indirect distribution.²⁰⁶ Further, an important factor for producers/organisers of events or venues is the attractiveness of the event catalogue offered by the distributor. Exclusivity agreements are not common in France with regards to indirect distributors such as producers/organisers of events and venues often work together with several of them.²⁰⁷
- (166) Second, there were no elements in the market investigation that pointed towards CTS Eventim having an incentive to engage in input foreclosure either now (as CTS Eventim already owns 48% of France Billet) or following the Transaction.
- (167) Finally, the Commission's analysis of the Notifying Party's internal documents has not yielded any results suggesting that the merged entity intends to either restrict or prevent access to its events for France Billet's competitors.

²⁰⁴ Non-Horizontal Guidelines, paragraph 45.

²⁰⁵ As explained in paragraph (35) above, CTS Eventim is not active in indirect distribution in France, and its supply of IT ticketing management services in France is limited to its agreement with France Billet and its participation in two consortia.

²⁰⁶ Form CO, paragraphs 79 and 318.

²⁰⁷ Form CO, paragraphs 319-320.

Impact on effective competition

- (168) The Commission considers that due to the merged entity's lack of ability and incentive, it is not needed to assess whether any foreclosure strategy would have a negative impact on effective competition.
- (169) In any event, the Commission considers that, even if the Notifying Parties would have the ability and incentive to engage in such input foreclosure strategy, it would not have an impact on effective competition.
- (170) Even though the respondents to the market investigation that expressed an opinion suggest that the impact of the Transaction may be negative on all affected segments²⁰⁸, their responses appear to be linked to concerns that are not merger-specific, as explained in Section 7.1.2, above, or based on concerns about a general increase of vertical integration in the sector in France.²⁰⁹
- (171) However, in view of the limited importance of CTS Eventim on the market for the production and organisation of events, notably in relation to events relating to concerts/shows and theatre where CTS Eventim's shares are at most 5% on all potential segments in France²¹⁰, even if all the tickets for the CTS Eventim's events in France were distributed through France Billet's solutions, there would be no significant effect on France Billet's competitors who would remain able to distribute the tickets of all the other producers/organisers of events, that represent the vast majority of the market.

7.3.1.2.2. Customer foreclosure

- (172) For the reasons set out below and based on the results of the market investigation, the Commission considers that, post-Transaction, the merged entity would have neither the ability nor the incentive to foreclose its upstream rivals by adopting a customer foreclosure strategy.
- (173) In any event, even if the merged entity engaged in such strategy, there would be no significant detrimental effects on competition in the upstream market for the production and organisation of events (and its potential segments).

Ability to foreclose

- (174) According to the Non-Horizontal Guidelines, for customer foreclosure to be a concern, the vertical merger must involve a company which is an important customer with a significant degree of market power in the downstream market.²¹¹
- (175) In this respect, the Commission notes that France Billet's market shares are not marginal on the relevant potential segments of the market for the distribution of tickets, in particular in one segment: as indicated in Section 6, in 2023, France Billet had a market share, in France, of about [30-40]% on the potential segment for the distribution of tickets for shows/concerts and the potential segment for the supply of IT ticketing management solutions enabling direct distribution of tickets for shows/concerts. Moreover, it had a [50-60]% market share on the potential

²⁰⁸ Replies to Phase 1 Market Investigation, question F.3.

²⁰⁹ Replies to Phase 1 Market Investigation, questions F.1., F.1.1. and F.3.

²¹⁰ Notifying Parties' response to RFI 12, Annex RFI 12 Q7a.

²¹¹ Non-Horizontal Guidelines, paragraph 61.

segment for the indirect distribution of tickets for theatre and comedy.²¹² These market shares – and in particular the last one – do not seem sufficiently limited to exclude, in themselves, the possibility of the merged entity to have the ability to foreclose its upstream rivals by adopting a customer foreclosure strategy.

- (176) However, the Commission considers that France Billet is not an important customer in the sense of the Non-Horizontal Guidelines and does not have a significant degree of market power in the relevant segments of the downstream market for the distribution of tickets, as listed in paragraph (116), for the following reasons.
- (177) First, post-Transaction, numerous undertakings will remain active in each of these segments. The Notifying Parties identified several competitors for the supply of IT ticketing management solutions enabling direct distribution of tickets including for example SecuTix, Ticketmaster (Trium), Rodrigue and Sirius for the shows/concerts segment. Similarly, the Notifying Parties have identified Ticketmaster, Ticketac, Theatre online, BAM Ticket, TicketNunc, Fever and See Tickets as competitors on the potential segment for indirect distribution of tickets for theatre and comedy.²¹³
- (178) Second, even assuming that the relevant markets are to be defined narrowly to only include certain event types (i.e., shows/concerts or theatre/comedy), most competitors of France Billet are active across several or even most markets segmented by event type, including markets in which France Billet has significant smaller market shares. This is shown also by the results of the market investigation, as more than half of the companies that indicated they supply IT ticketing management solutions enabling direct distribution of tickets in France provide such solutions for multiple event types.²¹⁴ Similarly, the majority of the respondents that indicated they supply indirect distribution services in France provide such services for different types of events.²¹⁵ Thus, the ability to pursue a customer foreclosure strategy is reduced by the fact that all competitors are active on several neighbouring markets and are therefore even more likely to replace France Billet as a distributor in case of a foreclosure strategy. Consistently, the majority of respondents that expressed a view confirmed that there are sufficiently credible alternatives to France Billet for the direct and indirect distribution of tickets in France.²¹⁶ Respondents have notably listed Rodrigue, SecuTix and Ticketmaster (Trium) for IT ticketing management solutions enabling direct distribution²¹⁷ and Ticketmaster and See Tickets for indirect distribution.²¹⁸
- (179) Third, new and existing players have been entering and/or expanding on the market for ticket distribution and its potential segments. For example, in the last 10 years, several firms have entered the market for indirect distribution including Shotgun (2014), Fever (2016-2017), Dice (2019) and more recently BAM Ticket (2021) and

²¹² Form CO, Annex 8.1.3.

²¹³ The Notifying Parties' reply to RFI 10, question 8.

²¹⁴ Replies to Phase 1 Market Investigation, questions C.6-3, C.8 and G.1.

²¹⁵ Replies to Phase 1 Market Investigation, questions C.6-3, C.9 and G.1.

²¹⁶ Replies to Phase 1 Market Investigation, questions E.A.3 and E.B.2.

²¹⁷ Replies to Phase 1 Market Investigation, question E.A.5.

²¹⁸ Replies to Phase 1 Market Investigation, question E.B.2.2.

TicketNunc (2023). Similarly, Shotgun (2014), Vivenu (2021) and RNDV/Hands (2022) have entered the market for IT ticketing management solutions.²¹⁹

- (180) Fourth, the market investigation confirmed that producers/organisers could easily move away from France Billet for indirect distribution services. Indeed, the vast majority of respondents that expressed a view considered that it is easy for producers/organisers of events using indirect distribution services in France to switch to alternative providers.²²⁰ This means that it would be easy for producers/organisers to use a distributor competing with France Billet if the latter were to refuse to distribute their events. The results of the market investigation are mixed in relation to direct distribution solutions.²²¹ However, a number of the respondents that submitted that it was not easy explained that this was due to a lack of access to the RTIs, which, as explained in Section 7.1.2, above, is not merger-specific.²²² In contrast, one respondent noted that “[l]es producteurs et organisateurs de spectacle, rencontres sportives, etc... restent libre de contracter avec le prestataire de leur choix et de le renouveler régulièrement sans véritable contrainte ».²²³
- (181) In view of all the elements mentioned above, the Commission concludes that France Billet does not have a significant degree of market power in the relevant segments of the downstream market, that there are other important, credible players in the market that will continue to make their services available post-Transaction, and thereby constrain the merged entity’s ability to engage in customer foreclosure strategies on the upstream market for the production and organisation of events (including its potential segments).

Incentive to foreclose

- (182) The Commission considers that due to the merged entity’s lack of ability, it is not needed to assess whether it would have an incentive to engage in a foreclosure strategy for the purposes of the present decision.
- (183) In any event, the Commission considers that, post-Transaction, the merged entity would not have the incentive to foreclose CTS Eventim’s competitors on the upstream market for the production and organisation of events (and its potential segments).

²¹⁹ Form CO, paragraphs 331-332. See also, the Notifying Parties’ reply to RFI 10, question 8.

²²⁰ Replies to Phase 1 Market Investigation, question E.B.3. For example, one respondent indicated that “[l]e producteur de l’évènement choisit ses canaux de distribution. Il est libre d’en choisir un plus qu’un autre. Ce choix est opéré pour chaque évènement.”²²⁰ While the results of the market investigation in relation to IT ticketing management solutions are mixed, one respondent noted that “Une solution de gestion informatique de billetterie ou une solution en self services nécessitent une prise en main par l’organisateur/producteurs/promoteurs. Dotés de ces ressources, les solutions [quelles qu’elles] soient sont interchangeables. La migration vers une nouvelle solution ou la coexistence de plusieurs solutions sont des projets classiques parfaitement balisés incluant la reprise des données clients quand l’organisme en est le propriétaire, ce qui n’est pas toujours le cas avec certaines solutions.” Similarly, another one answered that « [u]n changement de logiciel de billetterie est souvent une opération technologique assez complexe mais les salles et producteurs d’évènements peuvent plus ou moins facilement changer de partenaire de gestion informatique de la billetterie et les solutions de self-billetterie ».

²²¹ Replies to Phase 1 Market Investigation, question E.A.7.

²²² Replies to Phase 1 Market Investigation, question E.A.7.1.

²²³ Reply to Phase 1 Market Investigation, question E.A.7.1.

- (184) First, while several respondents to the market investigation that expressed an opinion consider it possible for France Billet to limit or refuse to provide solutions for the distribution of tickets for events produced and organised by CTS Eventim's competitors, the justifications provided for their responses often relate to concerns that are not merger-specific, as explained in Section 7.1.2, above. For example, according to a competitor on the market for the distribution of tickets, France Billet « *restreint ou dégrade l'accès (Interface asynchrone) à ses fonctionnalités de distribution indirecte de billet pour les organismes qui n'utilisent pas ses solutions de gestion [...] informatique de billetterie* ». Another one submits that « *[l]e refus de l'accès aux ITR même sans développement de la part des réseaux de distribution nous empêche de répondre aux besoin et demandes de nos clients et prospects et nous a fait perdre de nombreux clients* ». However, a large producer/organiser of events noted that « *[a]u vu du nombre de billets [that this competitor] commercialise via France Billet il ne serait pas [dans] l'intérêt pour la plateforme de restreindre notre accès* ».²²⁴
- (185) Second, as explained by the Notifying Party, as a co-controller of France Billet, it is unlikely that Fnac Darty would support a foreclosure strategy leading to a reduction of sales from France Billet to the benefit of CTS Eventim, on a market where Fnac Darty is also active.
- (186) Finally, the Commission's analysis of the Notifying Party's internal documents has not yielded any results suggesting that the merged entity intends to either restrict or prevent access to France Billet's distribution services for competitors on the upstream market.

Impact on effective competition

- (187) The Commission considers that due to the merged entity's lack of ability and incentive, it is not needed to assess whether any foreclosure strategy would have a negative impact on effective competition.
- (188) In any event, the Commission considers that, even if the merged entity would have the ability and incentive to engage in such customer foreclosure strategy, it would not have an impact on effective competition.
- (189) As already explained in paragraph (170), above, even though the respondents to the market investigation that expressed a view suggest that the impact of the Transaction may be negative on all affected segments,²²⁵ their responses appear to be linked to concerns that are not merger-specific, as explained in Section 7.1.2 above, or based on concerns about a general increase of vertical integration in the sector in France.²²⁶
- (190) Moreover, in view of France Billet's relatively moderate market shares in France on two of the potentially affected segments²²⁷ and of the fact that, switching providers appears easy on all the potential segments, even if France Billet were to not distribute tickets for CTS Eventim's competitors on the upstream market, there

²²⁴ Replies to Phase 1 Market Investigation, questions E.A.8 and E.A.8.1.

²²⁵ Replies to Phase 1 Market Investigation, question F.3.

²²⁶ Replies to Phase 1 Market Investigation, questions F.1., F.1.1. and F.3.

²²⁷ The potential segments for (i) the distribution of tickets for shows and concerts, and (ii) the IT ticketing management solutions enabling direct distribution of tickets for shows and concerts.

would be no significant effect on CTS Eventim's competitors who would remain able to use other direct and indirect distributors for their events.

7.3.1.3. Conclusion

- (191) For the reasons set out above, the Commission concludes that the Transaction does not raise any serious doubts as to its compatibility with the internal market with respect to possible input or customer foreclosure practices under any of the alternative product markets for production and organisation of events and distribution of tickets, irrespective of the geographic scope.

7.4. Conglomerate relationships

- (192) As set out in paragraph (16) above, the company responsible for the ticket distribution strategy is typically the one bearing the financial risk of the event. This responsibility can be taken on either by the producer/organiser of an event itself, or it can be outsourced to third-party promoters. In case CTS Eventim promotes its own events, these activities are thus in a vertical relationship with the ticket distribution activities of France Billet that are one step downstream. To the extent CTS Eventim outsources such responsibilities to third-party promoters for events that it organises or produces, the Transaction gives rise to a conglomerate relationship between CTS Eventim's activities in the production and organisation of events and France Billet's ticketing activities as these activities are two steps down the value chain from the event organisation (with the third-party promoter being in the middle). For the purposes of this conglomerate assessment, it is therefore presumed that there is a market for the organisation and production of events that is separate from a market for the promotion of events.
- (193) According to data submitted by the Notifying Parties, France Billet's market share exceeds 30% on the potential ticket distribution market segments as set out in paragraph (116) which can be considered closely related to the production and organisation (excluding promotion) of events. CTS Eventim is active in the production or organisation of events across the EEA, including in France, Belgium and Luxembourg.²²⁸ In the next sections, the Commission will assess, in accordance with the Non-Horizontal Guidelines, whether the Transaction will have a significant impact on the closely related markets on which CTS Eventim is active.

7.4.1. The Notifying Parties' views

- (194) The Notifying Parties submit that CTS Eventim and France Billet would neither have the ability nor the incentive to foreclose competing ticketing companies by bundling or tying CTS Eventim's production/organisation of events with France Billet's ticketing activities. In particular, the Notifying Parties submit that the merged entity would have no significant degree of market power on any of the markets for production/organisation of events or the market for the distribution of tickets, and that, in any event, live shows and ticketing are typically purchased separately. In any event, the Notifying Parties consider that any such strategy would not have any effect.²²⁹

²²⁸ Form CO, paragraphs 122-123.

²²⁹ Form Co, paragraphs 201-202.

7.4.2. *The Commission's assessment*

Ability to foreclose

- (195) For the reasons set out below, and based on the results of the market investigation, the Commission considers that, post-Transaction, the merged entity would not have the ability to foreclose competing companies producing and organising events by bundling or tying France Billet's ticketing activities with CTS Eventim's production/organisation of events..
- (196) First, for the purpose of this decision, and as also described in Section 7.3.1.2 above, the Commission considers that the Parties do not have a sufficient degree of market power in the market for the distribution of tickets or any of its segments, nor in the market for the production and organisation (including promotion) of events or any of its segments, irrespective of the applicable geographic scope. Post-Transaction, the merged entity will continue to face competition from numerous competitors in each of these segments.
- (197) The same also applies to a potential segment for the production and organisation (excluding promotion) of events, where, on the basis of the data submitted by the Notifying Parties, CTS Eventim's EEA-wide shares remain at most at 5-10% irrespective of any potential further segmentation by type of event or size of event with the only exception of a potential market for "top acts" in which its market share would amount to 20-30%.²³⁰ CTS Eventim's share would be even lower at the narrower geographic levels: they do not exceed 5% on any potential product segment in France or in the Francophone countries,²³¹ or 10% in Belgium and Luxembourg.²³²
- (198) Second, as also set out in paragraphs (159) and (177) above, CTS Eventim and France Billet face, and will continue to face, post-Transaction, numerous strong competitors on the markets for distribution of tickets and the production and organisation of events. The same applies also on the potential segment for the production and organisation (excluding promotion) of events, where according to the market share estimates provided by the Notifying Parties and as set out in Tables 8, 9 and 10, above, Live Nation and AEG Presents are both equally strong, if not stronger, competitors across the various potential segments both at EEA-wide and Francophone levels.²³³
- (199) Third, while a majority of the respondents to the market investigation that expressed a view consider that the merged entity could bundle its services for the production/organisation of events with its ticket distribution services,²³⁴ the merged entity would face competitors that could replicate and challenge any tied or bundled products. For example, the Notifying Parties specifically identify the Lagardère group and Live Nation as competitors active in the production/organisation of events in EEA-wide level with ticketing activities in France.²³⁵ This is also confirmed by the market investigation, in which respondents

²³⁰ Notifying Parties' response to RFI 10, Annex RFI 10 Q3 and response to RFI 12 question 1.b.ii.

²³¹ Form CO, paragraph 122, and Notifying Parties' response to RFI 10, Annex RFI 10 Q3.

²³² Form CO, paragraphs 123-124.

²³³ Notifying Parties' response to RFI 10, Annex RFI 10 Q3.

²³⁴ Replies to Phase 1 Market Investigation, questions E.A.11.

²³⁵ Notifying Parties' response to RFI 10, question 6.

confirmed that not only Live Nation but also other smaller French producers offer ticketing services in parallel.²³⁶

Incentive to foreclose

- (200) The Commission considers that due to the merged entity's lack of ability, it is not needed to assess whether it would have an incentive to engage in a tying or bundling strategies for the purposes of the present decision.
- (201) CTS Eventim has not previously bundled or tied the provision of its live shows to promoters in France, Belgium and Luxembourg with the provision of ticketing services even though it already holds a 48% share in France Billet before the Transaction.²³⁷ Following the increase of its shareholding in France Billet to 65%, CTS Eventim would still not be able to unilaterally enforce any bundling or tying strategy on France Billet. Even following the Transaction, any disadvantage of a potential tying or bundling strategy on the upstream level would be to the detriment of CTS Eventim alone whereas any downstream gains would have to be partly shared with Fnac Darty.
- (202) In any event, the Commission considers that, post-Transaction, the merged entity would not have the incentive to foreclose CTS Eventim's competitors on the market for the production and organisation (excluding promotion) of events.

Impact on effective competition

- (203) The Commission considers that due to the merged entity's lack of ability and incentive, it is not needed to assess whether any tying or bundling strategy would have a negative impact on effective competition.
- (204) In any event, the Commission considers that, even if the Notifying Parties would have the ability and incentive to engage in such tying or bundling strategies, it would not have an impact on effective competition.
- (205) The results of the market investigation were split equally on whether the Transaction would have a negative or neutral impact on the market for the production and organisation of events in the EEA. A small majority of respondents suggest that the impact of the Transaction in France would be negative. Nonetheless, those responses appear to be linked to concerns that are not merger-specific, as explained in Section 7.1.2, above, or to the general increase of vertical integration in the sector in France.²³⁸

7.4.3. Conclusion

- (206) For the reasons set out above, the Commission concludes that the Transaction does not raise any serious doubts as to its compatibility with the internal market as a result of conglomerate effects, notably tying or bundling CTS Eventim's organisation/production activities to France Billet's ticketing activities, under any of the alternative product markets for production and organisation of events and distribution of tickets, irrespective of the geographic scope.

²³⁶ Replies to Phase 1 Market Investigation, question E.A.11.2.

²³⁷ Notifying Parties' response to RFI 10, question 6.

²³⁸ Replies to Phase 1 Market Investigation, questions F.1., F.1.1. and F.3.

8. CONCLUSION

- (207) For the above reasons, the European Commission has decided not to oppose the notified operation and to declare it compatible with the internal market and with the EEA Agreement. This decision is adopted in application of Article 6(1)(b) of the Merger Regulation and Article 57 of the EEA Agreement.

For the Commission

(Signed)
Margrethe VESTAGER
Executive Vice-President