



Case M1305J

Proposed Acquisition of  
EC Events Limited by Guiton Publishing Group

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Decision

**Document No: CICRA 17/19**

**Date: 3 July 2017**

**Jersey Competition Regulatory Authority**  
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## Summary

1. This Decision concerns the proposed acquisition by Guiton Publishing Limited (**GPL**) of EC Events Limited (**ECL**). The transaction has been notified to the Jersey Competition Regulatory Authority (**JCRA**) for approval pursuant to Article 21 of the Competition (Jersey) Law 2005 (the **Law**).
2. The JCRA has determined that the proposed acquisition will not lead to a substantial lessening of competition in any relevant market in Jersey and hereby approves the acquisition.

## The Notified Transaction

3. On 16 June 2017 the JCRA received a joint application for approval from GPL and ECL for GPL's proposed acquisition of ECL.
4. As a result of the proposed transaction, GPL would acquire 100% of the share capital of ECL. GPL would therefore acquire control of ECL.
5. The JCRA registered the application on its website on 16 June 2017, with a deadline for comments of 30 June 2017. No submissions were received.

## The Parties

6. ECL is company incorporated in 2015 and registered in Jersey with company registration number 118514. According to information provided by the parties, the business previously operated as a sole trader. ECL is based in Jersey but operates across the Channel Islands. It is a professional event and conference management company. It is not part of any larger corporate group.
7. GPL is a company registered in Jersey (company registration number 77516). It is the holding company of Jersey Evening Post Limited (**JEP**), a company registered in Jersey (company registration number 27855) and The Guernsey Press Company Limited (**GPC**), a company registered in Guernsey (company registration number 12). GPL is itself wholly owned by the Guiton Group Limited, a company registered in Jersey (company registration number 770) which is in turn wholly owned by Claverley Holdings Limited, a company registered in England and Wales (company registration number 8114933).
8. The companies that form part of the corporate group of which GPL is a part carry out a range of activities: the marketing of computer systems; commercial printing; insurance; retail; property management and intellectual property management. In addition:
  - a. JEP is active in the fields of newspaper publishing, magazine publishing, website publishing and wholesaling of newspapers and magazines for other publishers active in Jersey;
  - b. GPC is active in the field of newspaper publication, magazine publishing, website publishing and the letting of commercial property in Guernsey.

### **Requirement for JCRA approval**

9. Under Article 2(1)(b) of the Law, a merger<sup>1</sup> occurs where a person who controls an undertaking acquires direct or indirect control of the whole or part of another undertaking. On completion of the notified transaction, GPL will acquire sole control of ECL. The transaction therefore constitutes a merger as defined by the Law.
10. Article 20(1) of the Law provides that a person must not execute certain mergers or acquisitions except with and in accordance with the approval of the JCRA. Under Article 4 of the Competition (Mergers and Acquisitions) (Jersey) Order 2010 (the **Order**), if one or more of the undertakings involved in the proposed merger or acquisition has an existing share of 40% or more of the supply or purchase of goods or services of any description supplied to or purchased from persons in Jersey then the merger must be notified to the JCRA under Article 20(1) of the Law<sup>2</sup>.
11. According to the information provided by the notifying parties, GPL, through its subsidiary JEP (trading as Jersey Distribution), has 100% of the share of supply of the wholesale of national newspapers and magazines in Jersey. On that basis, the JCRA has concluded that the transaction falls within the scope of application of Article 4 of the Order and so requires the approval of the JCRA prior to its execution.

### **Market Definition**

12. Under Article 22(4) of the Law, the JCRA must determine if the merger would substantially lessen competition in Jersey or in any part of Jersey. To this end, the JCRA will identify the markets which are likely to be affected by the merger and then assess whether competition in these markets will be substantially lessened.
13. The Parties have submitted that the relevant markets when assessing whether the proposed transaction results in a substantial lessening of competition are events management in Jersey, the wholesale and publication of newspapers and magazines in Jersey and website publication in Jersey.
14. In this case, the precise product and geographic market can be left open since the transaction will not give rise to a substantial lessening of competition in Jersey on the basis of any market definition considered.

### **Effect on Competition**

15. Pursuant to Article 22(4) of the Law, the JCRA must determine if the proposed acquisition would substantially lessen competition in Jersey or any part of it.

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<sup>1</sup> In this Decision, the terms “merger” refers to both mergers and acquisitions.

<sup>2</sup> Subject to two exceptions, neither of which applies in this case.

16. There is no overlap on any possible relevant market in Jersey between the activities of ECL and the activities of any of the companies belonging to the corporate group of which GPL is a part<sup>3</sup>. The merger will not lead to anti-competitive vertical foreclosure on any possible relevant market.

#### **Conclusion**

17. For the reasons set out above, the merger cannot be expected to lead to a substantial lessening of competition on any market in Jersey.

#### **Decision**

18. Based on the preceding analysis, the JCRA hereby approves the proposed acquisition under Article 22(1) of the Law.

**3 July 2017**

**By Order of the JCRA Board**

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<sup>3</sup> The parties note that both JEP and GPC organise a “Pride of Jersey/Guernsey” awards ceremony in their respective Bailiwicks. However, the JCRA does not consider this to constitute an overlap with the activities of ECL since it understands that neither JEP nor GPC offers events management services to the market; rather each organises its own “Pride of” event. JEP and GPC do not, therefore, compete with ECL in the provision of events organisation services to the market in Jersey.