

European Commission refers review of Virgin and O2 deal to CMA

Press release

Following a request from the CMA, the European Commission has referred the proposed merger of Virgin Media and Virgin Mobile with O2 to the CMA for investigation.



Following the announcement of the deal on 7 May 2020, the Competition and Markets Authority (CMA) publicly indicated that it would make a formal request to the European Commission (EC) to review the proposed merger, given its potential impact on competition in several retail and wholesale telecommunication markets in the UK.

The CMA made its formal request for the case to be transferred on 8 October 2020, shortly after the opening of the EC's investigation. That request has today been accepted by the EC and the case will be transferred for the CMA's formal investigation to begin immediately.

Andrea Coscelli, Chief Executive at the CMA, said:

We welcome the European Commission's decision to transfer the proposed deal between Virgin and O2 to the CMA for investigation.

These are incredibly important UK markets, that continue to evolve, and the deal needs to be carefully reviewed to make sure that consumers are protected.

We have worked closely with the European Commission so far and we will build on the work that has already been carried out to make sure that the case can be investigated as quickly and efficiently as possible.

Virgin and O2 have asked the CMA to move quickly to the in-depth Phase 2 stage of its review through a 'fast-track' process.

In most merger cases, a full Phase 1 investigation is needed to determine whether a deal can be cleared or whether further scrutiny is required.

However, merging companies can ask for the CMA's probe to be moved more quickly to Phase 2 where it is clear from an early stage that the deal requires an in-depth investigation.

The CMA expects to accept this request unless it receives any valid objections to the use of the fast-track process.

The CMA is now inviting views by 26 November on how the merger could affect competition, and on the companies' request for a fast track process. Further opportunities to submit views will also be provided during the Phase 2 investigation.

Please visit the [Liberty Global plc / Telefónica S.A. merger inquiry case page](#) for more information.

Notes to Editors

1. Liberty Global plc (Liberty) owns Virgin Media and Virgin Mobile in the UK, and Telefónica S.A. (Telefónica) owns O2 in the UK.
2. Under the Enterprise Act 2002 (the Act) the CMA has a duty to make a reference to Phase 2 if the CMA believes that it is or may be the case that a relevant merger situation has been created, or arrangements are in progress or in contemplation which, if carried into effect, will result in the creation of a relevant merger situation; and the creation of that situation has resulted, or may be expected to result, in a substantial lessening of competition within any market or markets in the United Kingdom for goods or services.
3. Media enquiries to the CMA should be directed to press@cma.gov.uk or 020 3738 6460.

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