

The GVH terminated the competition supervision procedure against M-RTL

Based on a market signal and information in the public domain, the GVH noticed that Magyar RTL Televízió Zrt. (M-RTL), a significant participant of the nationwide television advertisement market, had been selling advertisers RTL Klub and RTL3 (Cool, Film+ and RTL II) channels in a package at a so-called bundled price (SAP+) since 2015; moreover it only offered more favourable terms if the advertisers undertook to advertise a certain percentage of their whole advertising on the RTL channel. These behaviours of M-RTL, through which it had presumably abused its dominant position, were likely to distort competition on the nationwide television advertisement market.

Similar concerns had previously arisen in procedure Number Vj/66/2011 relating to the merger of M-RTL and IKO Televisions Kft. In its resolution made on 19 December 2011, the GVH cleared M-RTL's acquisition of control over IKO Televisions Kft. by accepting commitments that M-RTL would sell advertising space of the above-mentioned channels separately. According to the GVH's decision the two-year period given for the realisation of the commitments (until the end of 2013) would ensure that there was enough time for market participants to adequately prepare for the changes resulting from the increase of M-RTL group's portfolio, by for instance, certain channels cooperate to sell advertising space. According to the GVH, the two-year period would allow certain channels to become stronger on the advertising market, thereby resulting in competitive pressure for the group of undertakings established due to the above-mentioned merger.

After the closure of the 2014 business year and the closure of the ongoing contractual negotiations, the GVH was able to measure the potential effects of M-RTL's behaviour. On 15 June 2015, the GVH initiated the competition supervision procedure Number Vj/49/2015 due to a presumed infringement of an abuse of a dominant position.

Since the initiation of the procedure there has been a restructuring of the market, due primarily to an increase in the portfolio of the Atmedia Kft. channel achieved in 2016. As a consequence of these changing market circumstances, the presumed dominant position of M-RTL could not be established and the GVH therefore terminated the procedure Number Vj/49/2015 by its resolution made on 20 June 2016.

Case number: **Vj/49/2015.**

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Hungarian Competition Authority

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