

Simplified notification of concentration

by

Viaplay Group AB's
acquisition of sole control over
Allente Group AB

Oslo, 14 September 2025

Confidential

Contains business secrets

Contact details

1.1 Notifying party

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1.2 Target

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2. The notified concentration

2.1 Description

- (1) Viaplay Group AB ("**Viaplay**") and Telenor Communication II AS ("**Telenor**") jointly own and control Allente Group AB ("**Allente**"). The establishment of Allente was notified to and approved by the EU Commission in 2020.¹
- (2) Pursuant to a Share Purchase Agreement dated 17 July 2025 ("**SPA**"), Viaplay intends to **purchase Telenor's 50 % shareholding in Allente from Telenor (the "Proposed Transaction")**. As a result of the Proposed Transaction, Viaplay will go from a position of joint control to sole control in Allente. The Proposed Transaction constitutes a concentration under the Competition Act section 17, first paragraph, letter (b) (the "**Concentration**"). Due to **Viaplay's and Allente's turnover**, the Concentration is notifiable to the Norwegian Competition Authority.
- (3) A copy of the SPA is included as Schedule 1.

Schedule 1 Share Purchase Agreement of 17 July 2025

2.2 Transaction rationale

- (4) 
 The Proposed Transaction is expected to create opportunities for both Allente and Viaplay Group to expand their customer base, enhance product and service offerings as well as promote operational and commercial synergies such as new product opportunities and offerings across platforms and markets.

2.3 Merger notifications in other jurisdictions

- (5) In addition to Norway, the Concentration will be notified to the competition authorities in Denmark and Sweden. The Concentration will not be completed until the required approvals have been obtained from the relevant authorities.

3. The criteria for submitting a simplified notification are met

- (6) Pursuant to the Competition Regulation on Notification of Concentrations Section 3 second paragraph, concentrations where one party acquire sole control over an undertaking in which it previously held joint control together with another party, can be notified by way of a simplified notification.
- (7) Allente is currently jointly controlled by Telenor and Viaplay. Following the Concentration, Viaplay will acquire sole control in Allente. Thus, the criteria for submitting a simplified notification are met.

4. The Parties

4.1 Viaplay Group AB

- (8) Viaplay is a provider of digital entertainment based in Sweden and is listed on Nasdaq Stockholm Stock Exchange. The largest shareholders are Groupe Canal+ SA, PPF Cyprus Management Limited, and Nordea Funds, with 29.29 %, 29.26 % and 11.77% shareholdings,

¹ Case M.9604 *NENT/Telenor/JV*.

respectively. The remaining shares are widely dispersed. Viaplay is not controlled by any of its shareholders.

- (9) Viaplay provides streaming of Audio Visual (AV) services in Norway, Sweden, Finland, the Netherlands, Iceland and Denmark, i.e. streaming services and TV channels. In 2024, Viaplay generated worldwide revenue of [REDACTED]²
- (10) Viaplay is active on the supply side of the market for wholesale supply and acquisition of TV channels.
- (11) In Norway, Viaplay broadcasts the following TV channels: TV3, V4, TV6, V sport 1, V sport 2, V sport 3, V sport+, V sport golf, V sport ultra HD, V film premiere, V series, V film action, V film family, V film hits, Film Favoritter. In addition, Viaplay operates the commercial radio stations Radio P4, Radio P5 Hits, Radio P6 Rock, Radio P7 klem, Radio P8 Pop, Radio P9 Retro, Radio P10 Country, Radion P11 Dance and Radio P12 Hitmix.
- (12) **Viaplay's core wholesale business comprises provision of TV channels to Viaplay's vertically integrated retail provider of AV services, the Viaplay streaming service, and to third-party retail providers of TV services.** In the upstream market, Viaplay holds an agreement with TV2 concerning sports rights.³
- (13) Currently, Viaplay has wholesale distribution agreements with the following third-party retail distributors of TV channels in Norway: Telia, Telenor, RiksTV, Altibox and Allente. Viaplay also supplies TV channels to commercial properties (e.g. hotels, pubs, clubs, businesses, etc.) and SMATV⁴ (housing associations etc.) where Viaplay contracts through an agent or an operator. **In Norway, Allente is the main distributor for Viaplay's SMATV.** Viaplay also offers Viaplay's OTT (Over-The-Top) service on a wholesale basis to distributors in Norway.
- (14) Viaplay is active in the retail supply of AV services in Norway via OTT through its streaming service Viaplay.
- (15) For more information on Viaplay, see www.viaplaygroup.com

4.2 Allente Group AB

- (16) Allente is a Nordic retail distributor of AV services via Satellite (DTH) and via the internet (OTT and Internet Protocol TV (IPTV) to customers (including directly to consumers/households and commercial customers).⁵
- (17) Allente was established 5 May 2020 as a result of a merger between Canal Digital and Viasat Consumer.⁶ Prior to the Proposed Transaction, Allente is jointly controlled by Telenor and Viaplay.

² [REDACTED], converted to NOK using the Norwegian Central Bank's annual exchange rate for 2024 (100 NOK = 101.74 SEK). The turnover does not include Allente's turnover.

³ <https://presse.viaplaygroup.no/post/viaplay-og-tv-2-samarbeider-om-a-gjore-utvalgte-fotballrettighet>.

⁴ Satellite Master Antenna Television.

⁵ The DTH service is a one-way communication platform which means that there is no start-over or catch-up opportunities or on-demand content. Allente's DTH service however also includes a subscription of an independent streaming service delivered via IPTV or OTT which mirrors the DTH subscription including the SVOD and on-demand products.

⁶ Please refer to Case M.9604 - NENT/Telenor/JV.

(18) Allente has distribution agreements with major broadcasters and streaming service providers on the Norwegian market including:

- NRK (Public Service Broadcaster)
- TV2 (Commercial public service broadcaster)
- Viaplay Group
- Warner Brother Discovery
- ComCast / Paramount Global (SkyShowtime), and
- Amazon Prime

(19) Allente distributes AV Services to individual households and multi dwelling units (MDU).⁷ Allente also distributes its AV Services to commercial properties (e.g. hotels, pubs, clubs, businesses, restaurants etc.).

(20) Further information about Allente is available at <https://www.allente.no/>.

4.3 Turnover in Norway

(21) The undertakings concerned's turnover in Norway in 2024 is included in the table below.

	Turnover in Norway (2024) ⁸	
Viaplay Group AB		
Allente Group AB		

4.4 Annual reports

(22) Viaplay's annual report for 2024 is available at Viaplay's website and also attached to this filing as Schedule 2. Allente's annual report for 2024 is attached as Schedule 3.

Schedule 2 Viaplay Group Annual Report for 2024

Schedule 3 Allente Annual Report for 2024

5. Market definitions

5.1 The overall market for retail supply of AV services in Norway

5.1.1 Introduction

(23) In the market for the retail supply of **Audio Visual ("AV")** services, distributors provide end users with AV services, which typically consist of: (i) linear TV channels or packages of linear TV channels (either acquired or produced themselves); and (ii) content aggregated in non-linear services, such as Subscription VOD ("**SVOD**"), Transactional VOD ("**TVOD**"), Advertising VOD ("**AVOD**") and Hybrid VOD ("**HVOD**").⁹

⁷ Refers to residential property composed of multiple separate housing units, for example an apartment building or block of flats.

⁸ The undertakings turnover in Norway in 2024 have been converted from SEK to NOK using the average exchange rate for 2024 of 1.0174 NOK/SEK from the central bank of Norway ("Norges Bank").

⁹ Subscription Video on Demand (SVOD) is when viewers pay a recurring subscription fee for access to a catalogue of content. Transactional Video on Demand (TVOD) is when viewers pay a one-time fee either to rent or purchase individual pieces of content. Advertising-based Video on Demand (AVOD) is when content is made available at no direct cost to the viewers, but advertising shown before, during, or after the video. Hybrid Video on Demand (HVOD) is a combination of SVOD and AVOD, where VOD services are available at a lower subscription, and where subscribers have to watch advertisement before accessing the desired content. The boundaries between traditional linear TV-channels and non-linear on-demand AV content are becoming increasingly blurred.

- (24) Linear and non-linear AV services can be delivered to end users through several platforms including cable, satellite (DTH), mobile, Digital Terrestrial Television (“DTT”), IPTV and Over-the-top content (“OTT”). Non-linear AV services can likewise be delivered to end users through several platforms (e.g. mobile, IPTV and OTT).¹⁰
- (25) Viaplay is active in retail supply of AV services in Norway via OTT through its VOD service Viaplay. Allente is active in the retail supply of AV services in Norway via DTH, OTT and IPTV.
- (26) Viaplay submits that the relevant market consists of the overall market for the retail supply of AV services in Norway.
- (27) In particular, Viaplay considers that it is not appropriate to sub-divide the market along the lines assessed by the EU Commission in previous investigations, namely: (i) by the type of distribution platform; (ii) by the nature of AV services provided in terms of pay-AV and free-to-air (“FTA”) AV services; (iii) by the nature of the AV services provided in terms of basic and premium pay-AV services; (iv) by the nature of AV services provided in terms of linear and non-linear services; or (v) by the type of dwelling unit in terms of single dwelling units (“SDUs”) and multi-dwelling units (“MDUs”).¹¹
- (28) Viaplay notes that the European Commission, in its previous decisions, has left open the product market definition with respect to each of these potential sub-segments. Further, recent market investigations provide support for an overall market for the retail supply of AV services.¹²
- (29) In its decision *NENT/Telenor/JV* the Commission concluded that the relevant product market was that of retail supply of AV services including all distribution technologies. The question of whether the retail supply of AV services should be further segmented between (i) FTA and pay-AV services, and (ii) linear and non-linear services, (iii) premium and basic pay-AV services, and (iv) AV services to MDUs and SDUs, was left open.¹³
- (30) In the below sections, Viaplay will explain why there is no need to segment the relevant market further in Norway.

¹⁰ The OTT services offered by suppliers with a background within traditional tv-channels (in particular Viaplay, TV 2 Play and HBO Max) contain significant amounts of both linear and non-linear content. Thus, we characterize these services “hybrid OTT” and include them in both the linear and non-linear segments for the purpose of calculating market shares. Although other OTT services such as Netflix and Amazon Prime increasingly also offer linear content (typically live sports events), we characterize these services as “non-linear” for the purpose of this exercise.

¹¹ See, for example, Case M.9370 *Telenor/DNA* (15 July 2019); Case M.8842 *Tele2/Com Hem Holding* (8 October 2018); Case M.7194 *Liberty Global/Corelio/W&W/De Vijver Media* (24 February 2015); Case M.6990 *Vodafone/Kabel Deutschland* (20 September 2013); Case M.6880 *Liberty Global/Virgin Media* (15 April 2013); Case M.5932 *News Corp/BskyB* (21 December 2010); Case M.4353 *Permira/All3Media Group* (22 September 2006).

¹² See to that effect case M.8842 *Tele2/Com Hem Holding* (8 October 2018) paras 35-36 where the market investigation indicated that the market in Sweden should not be further segmented, and case M.9370 *Telenor/DNA* paras 18-21 in relation to Finland.

¹³ Para 52.

5.1.2 The market should not be segmented according to distribution platform

- (31) In *NENT/Telenor/JV*, the Commission concluded that the relevant product market at retail level was the market for the retail supply of AV services encompassing all distribution technologies.¹⁴ Viaplay agrees with this conclusion.
- (32) Producers of content usually want their channels and the attached services to be widely distributed and accessible, including via several (if not all) technological means, in order to reach the largest possible number of viewers and to maximise revenue. Distributors, on their part, make the same packages available on different platforms and promote AV services similarly across those platforms. Major TV broadcasters also distribute channels and content directly to consumers through their own OTT platforms.
- (33) On the consumer side, the technical differences in output (quality of signal, bandwidth), which potentially could have played a role in segmenting the market by technology in the past, have disappeared. From a consumer perspective, the underlying platform technology used to distribute AV services is not important. This is best demonstrated by the development of IPTV and OTT for AV services, and by the decline in DTH. Subscribers are leaving DTH, to a significant extent, due to the higher level of interactivity and flexibility offered by OTT and IPTV, which outweigh any advantage DTH may have had in the past, for example large number of TV channels and/or high-definition TV.
- (34) All distribution networks cover a large proportion of the population in Norway. In 2023, 99.9% of all households had access to high-speed broadband (100 Mbps) and 96.2 % had access to broadband of 1 Gbps.¹⁵ DTH had a coverage of approximately [REDACTED]¹⁶ and DTT approximately 98%.¹⁷
- (35) Further, mobile networks have become a technical substitute for all other distribution platforms:
- At the end of 2024, the 5G coverage of the population in Norway was at 99.7%,¹⁸
 - 5G technology provides data transfer speeds far exceeding those required for high quality streaming,¹⁹ with 98.4 % of all households having access to 30 Mbps and 83.7% of all households having access to 100 Mbps;²⁰
 - **Most MNO's and MVNO's in Norway offer unlimited data access against a monthly fee.**²¹

¹⁴ M.6904 para 52. The Commission came to the same conclusion in a number of subsequent decisions, see case M.10343 - *Discovery/Warner Media*, para. 63; case M.10515 - *Iliad/UPC Polska*, para. 57.

¹⁵ Statistics from Nkom (2023): <https://nkom.no/statistikk/nokkeltall-og-interaktive-dashbord/bredbandsdekning>

¹⁶ Allente's estimate. Local restrictions against installation of satellite dishes may apply.

¹⁷ See <http://ntv.no/sjekk-dekningskart/om-dekning/>.

¹⁸ Nkoms report *Tilgang til mobildata i Norge - Kartlegging ved utgangen av 2024* av 7. mai 2025, available at: <https://nkom.no/statistikk/nokkeltall-og-interaktive-dashbord/mobildekning#https://nkom.no/statistikk/nokkeltall-og-interaktive-dashbord/mobildekning>.

¹⁹ Viaplay considers a bandwidth of 25-30 Mbps required for live events on Ultra HD, while other streaming services require a lower bitrate. Netflix consider 15 Mbps as a requirement to get ultra-high definition on their streaming service (source: <https://help.netflix.com/en/node/306>).

²⁰ Nkoms report, available at <https://nkom.no/statistikk/nokkeltall-og-interaktive-dashbord/mobildekning#https://nkom.no/statistikk/nokkeltall-og-interaktive-dashbord/mobildekning>.

²¹ For completeness, note that the unlimited data package may include a reduction of speed after consumption of a certain amount of data which may reduce the user experience related to streaming of AV services.

(36) Due to the nationwide coverage of mobile coverage and high-speed broadband, OTT is a viable option even in the more remote areas of Norway.

(37) In conclusion, there is no need to segment the market according to distribution technology.

5.1.3 The market should not be segmented by FTA and pay-AV services

(38) Although the Commission in its previous practice has considered but left open whether the market should be segmented to a separate market for FTA and pay-AV distribution, the market investigation in *Discovery / Warner Media* suggested that “a segmentation between the retail supply of FTA AV services and pay AV services may no longer be relevant.”²² In *Orange/Voo/Brutele*, the Commission concluded that the market encompassed all distribution technologies and both FTA and pay AV services.²³

(39) From the viewpoint of end users there is substitutability among distributors of FTA and pay-AV with each of the main distributors offering a full range of FTA and pay-AV in their offering. The Norwegian FTA offeror, NRK, is available as an OTT free of charge, funded by the state. Further, the broadcasters’ own OTT services, such as TV2 Play, Viaplay and Telia Play, offer their own pay-AV on their streaming service.

(40) End users can easily subscribe and unsubscribe from pay-AV services in Norway. All the distributors offer different packages with different content and price levels, often without any binding period, so that the end user can switch between packages in order to include or exclude channels or subscribe to the broadcasters own OTT services.

(41) Hence, Viaplay submits that FTA and pay-AV services should be regarded as part of the same product market.

5.1.4 The market should not be segmented by basic and premium pay-AV services

(42) Although the Commission in its previous practice has considered but left open whether the market should be segmented to a separate market for basic and premium AV (where premium would refer to more exclusive content, higher prices, or otherwise charged an extra, as opposed to channels included in packages), the market investigation in *Discovery / Warner Media* suggested that “it is no longer appropriate to segment the retail market for the supply of pay AV services between basic and premium services.”²⁴

(43) Similarly to segmentation by FTA and pay-AV, from the viewpoint of end users there is substitutability among distributors of basic and premium pay-AV channels with each of the main distributors offering basic and premium pay-AV services in Norway. End users can easily subscribe and unsubscribe to basic and premium pay AV-services. Distributors offer packages with different content and price levels. Moreover, end users can, apart from some few channels that are always included, often select and deselect different individual channels, channel packages, or access streaming services, whether premium or basic, at any time during their subscription. Further, there is no clear delineation of what is considered “basic” and “premium”: a wide range of content is substitutable, from an end user perspective.

²² Case M.10343 - *Discovery/Warner Media*, para. 59.

²³ Commission decision of 20 March 2023 in case M.10663 - *Orange/Voo/Brutele*, para. 82.

²⁴ Case M.10343 - *Discovery/Warner Media*, para. 60.

- (44) In addition, broadcasters offer their own basic and premium pay AV services on their own OTT platforms.
- (45) Viaplay therefore submits that basic and premium pay-AV services should be regarded as part of the same product market.

5.1.5 The market should not be segmented by linear and non-linear AV services

- (46) In *NENT/Telenor*, the Commission indicated that linear and non-linear AV services are increasingly regarded as substitutable but left the market definition open.²⁵ In *Discovery / Warner Media* the “market participants considered that such segmentation [a segmentation into AV services advertising funded between linear and non-linear services] may not be appropriate”.²⁶ Viaplay considers the same to apply to other AV services.
- (47) Linear content is less and less viewed in a linear way, so that all non-linear services (including TVOD unrelated to a linear channel) become potential substitutes for linear content. End users increasingly expect interactivity and flexibility and have largely integrated the use of non-linear services into their consumer habits, to the point that they increasingly consider them as alternatives to linear channels, rather than mere complements.
- (48) Seamless switching between linear and non-linear content is further normalised or facilitated when content is watched to an increasing extent on mobile terminals, tablets and PCs.
- (49) The substitutability of linear and non-linear content is also evident from the success of Netflix, HBO Max etc., which has led to a shift in the market, where consumers have moved from linear pay-TV film packages to SVOD-film services with a lower price point.
- (50) Therefore, Viaplay submits that all linear and non-linear AV services should be regarded as part of the same product market.

5.1.6 The market should not be segmented according to dwelling unit

- (51) Viaplay submits that it would not be appropriate to segment the market according to dwelling unit: The same content is distributed; the same technological distribution platforms are available; and basic packages made available in MDUs can be complemented with additional packages by each household individually.

5.1.7 The market is national in scope

- (52) In line with past decisions, Viaplay submits that the market for the retail supply of AV services is national in scope, for several reasons: (i) suppliers of retail AV services compete on a national basis for end-customers; (ii) distributors in a particular country offer AV services for end-customers in that country only; (iii) regulatory regimes for the retail supply of AV services are national; and (iv) AV offerings are strongly influenced by national cultural factors and domestic end-customer preferences.

²⁵ Commission decision of 30 April 2020 in case M.9604 - *NENT/Telenor/JV*, para. 184.

²⁶ Case M.10343 - *Discovery/Warner Media*, para. 61.

5.1.8 Conclusion

- (53) In light of the above, Viaplay submits that the Proposed Transaction should be assessed on the basis of an overall market for retail supply of AV services in Norway.
- (54) However, for completeness, Viaplay will also provide estimates of market shares for the retail supply of AV services for the following hypothetical sub-segments:
- (a) Retail supply of AV services
 - (i) Including non-linear OTT-providers
 - (ii) Excluding non-linear OTT-providers
 - (b) Retail supply of pay-AV services
 - (i) Including non-linear OTT-providers
 - (ii) Excluding non-linear OTT-providers
 - (c) Retail supply of non-linear pay-AV services (including hybrid OTT)
 - (d) Retail supply of basic pay-AV services
 - (i) Including non-linear OTT-providers
 - (ii) Excluding non-linear OTT-providers
 - (e) Retail supply of premium pay-AV service
 - (i) Including non-linear OTT-providers
 - (ii) Excluding non-linear OTT-providers
 - (f) Retail supply of pay-AV services to MDUs
 - (i) Including non-linear OTT-providers
 - (ii) Excluding non-linear OTT-providers
 - (g) Retail supply of pay-AV services to SDUs
 - (i) Including non-linear OTT-providers
 - (ii) Excluding non-linear OTT-providers

5.2 The markets for wholesale supply and acquisition of TV channels

5.2.1 Introduction

- (55) Wholesale providers of TV channels acquire/license content and aggregate this into channels to be broadcast to end-customers via retail distributors of AV services. Accordingly, the supply side of this market comprises wholesale providers of TV channels, and the demand side comprises retail providers of AV services who acquire and distribute the TV channels to end-customers. The wholesale supply is an intermediate layer between the upstream production and licensing of content, and the downstream retail provision of TV channels to end customers.
- (56) Generally, wholesale supply of TV channels is carried out on either a FTA-basis or on a pay-TV basis with one of the following business models: (i) public service FTA channels, (ii) commercial FTA channels and (iii) pay-TV channels. Public service FTA as well as commercial FTA channels are generally broadcast free of charge to end customers. In Norway, NRK is the public service FTA available free of charge through its OTT streaming services and

distribution through DTT. There are no commercial FTA channels although TV2 has a commercial public service contract with the Norwegian state.²⁷

- (57) Pay-TV channels, in contrast to FTA channels, are not available to end customers free of charge but instead require end customers to pay a fee for viewing the content. The pay-TV business model has two main revenue sources: (i) wholesale distribution fees paid by the distributors, and (ii) TV advertising revenues obtained from the sales of TV advertising airtime on TV channels, selling this either directly to advertisers or via media agencies.

- (58) In previous decisions, the Commission has identified a market for the wholesale supply of TV channels. Within that market, the Commission has further identified two separate product markets for: (i) FTA channels; and (ii) pay-TV channels²⁸ but more recently left the exact product market definition open.²⁹ The Commission has further in some cases concluded that within the pay-TV market, there exist different segments³⁰ or more recently, product markets³¹ for: (i) basic pay-TV channels; and (ii) premium pay-TV channels. In certain cases, the Commission has considered FTA channels to be part of the same market as basic pay-TV channels.³² With respect to premium pay-TV channels, the Commission has also distinguished between: (i) premium pay-TV film channels; and (ii) premium pay-TV sports channels.³³

- (59) In previous decisions, the Commission also examined a number of other potential segmentations, including: (i) genre or thematic content (such as films, general entertainment, sports, factual content, news, youth channels and others);³⁴ (ii) linear channels vs. non-linear services (VOD, PPV); and (iii) the different means of infrastructure used for the delivery to the viewer (cable, satellite, terrestrial TV and IPTV). Viaplay notes that the Commission has ultimately left the market definition open in all these cases (with

²⁷ <https://www.medietilsynet.no/nyheter/aktuelt/staten-og-tv-2-inngar-avtale-om-kommersiell-allmennkringkasting-for-en-ny-periode/>

²⁸ Commission decision of 24 February 2015 in case M.7194 - *Liberty Global/Corelio/W&W/De Vijver Media*, recital 101, Commission decision of 20 September 2013 in case M.6990 - *Vodafone/Kabel Deutschland*, para. 41.

²⁹ Commission decision of 6 October 2020 - *PPF Group/Central European Media Enterprises*, para. 39; Commission decision of 18 July 2019 in case M.8864 - *Vodafone/Certain Liberty Global Assets*, recital 273; In Commission decision of 30 May 2018 in case M.7000 - *Liberty Global/Ziggo*, para. 111, the Commission left open the question as to whether FTA and Pay TV belong to separate markets, because of peculiarities of the Dutch TV market; In Commission decision of 7 April 2017 in case M.8354 - *Fox/Sky*, para. 85, the Commission left open the question whether the market for the wholesale supply of TV channels should be further segmented among FTA, basic Pay TV and premium Pay TV. In Commission decision of 18 August 2014 in case M.7194 - *Liberty Global/Corelio/W&W/De Vijver Media*, para. 91, the Commission considered that wholesale supply of premium Pay TV constitutes a product market that is separate from the wholesale supply of basic Pay TV/FTA channels.

³⁰ Commission decision of 18 August 2014 in case M.7194 - *Liberty Global/Corelio/W&W/De Vijver Media*, para. 89.

³¹ Commission decision of 12 November 2019 in case M.9064 - *Telia Company/Bonnier Broadcasting Holding*, para. 157; Commission decision of 30 May 2018 in case M.7000 - *Liberty Global/Ziggo*, para. 113.

³² Commission decision of 18 July 2019 in case M.8864 - *Vodafone/Certain Liberty Global Assets*, para. 273; Commission decision of 30 May 2018 in case M.7000 - *Liberty Global/Ziggo*, para. 111; Commission decision of 7 April 2017 in case M.8354 - *Fox/Sky*, para. 80, 81 and 85; Commission decision of 18 August 2014 in case M.7194 - *Liberty Global/Corelio/W&W/De Vijver Media*, para. 90 and 91.

³³ Commission decision of 15 June 2018 in Case M.8861 *Comcast/Sky*, Commission decision of 24 February 2015 in Case M.7194 *Liberty Global/Corelio/W&W/De Vijver Media*, Commission decision of 6 November 2018 in Case M.8785 *The Walt Disney Company/Twenty-First Century Fox* and Commission decision of 13 September 2018 in Case M.7000 *Liberty Global/Ziggo*.

³⁴ Commission decision of 18 July 2019 in case M.8864 - *Vodafone/Certain Liberty Global Assets*, para. 273; Commission decision of 30 May 2018 in case M.7000 - *Liberty Global/Ziggo*, para. 112; Commission decision of 7 April 2017 in case M.8354 - *Fox/Sky*, para. 82 to 85; Commission decision of 24 February 2015 in case M.7194 - *Liberty Global/Corelio/W&W/De Vijver Media*, para. 92; Commission decision of 21 December 2010 in case M.5932 - *News Corp/BskyB*, para. 81; Commission decision of 26 August 2008 in case M.5121 - *News Corp/Premiere*, para. 35; Commission decision of 18 July 2007 in case M.4504 - *SFR/Télé 2 France*, para. 41 and 42; Commission decision of 2 April 2003 in case M.2876 - *Newscorp/Telepiù*, para. 74 to 76.

one exception relating to premium film and premium sports pay-TV channels on the Dutch market).³⁵

- (60) Viaplay submits that the Proposed Transaction should be assessed on the basis of an overall market for wholesale supply and acquisition of TV channels.
- (61) Specifically, Viaplay considers that it is not appropriate to subdivide the market for wholesale supply and acquisition of TV channels according to segments previously being considered by the EU Commission: (i) the business model (pay-TV or FTA) of the retail AV services within which the channels are provided to end customers; (ii) content genres; (iii) type of infrastructure/distribution platform used to distribute the service; or (iv) premium and basic TV channels, usually corresponding to the type of package or tier within which the channel is retailed.
- (62) In the subsections below, Viaplay addresses each possible segmentation of the market.
- (63) As Viaplay does not consider the conditions on the market for wholesale acquisition of TV services any different from the conditions on the market for wholesale supply of TV services, in relation to the product market definition, the two sides of the market are analysed in parallel below.

5.2.2 The market should not be segmented by FTA and pay-TV channels

- (64) For the reasons set out below, Viaplay considers that the wholesale providers of FTA channels exercise a significant competitive pressure on wholesale providers of pay-TV channels, commanding a high share of total viewing in Norway, and that FTA and pay-TV channels should be regarded as belonging to the same wholesale market.
- (65) Providers of FTA and pay-TV channels ultimately compete downstream for the same viewer base as FTA and pay-TV channel providers to a large extent carry the same content.³⁶ At the retail level, FTA and pay-TV channels are typically sold together in one package without emphasizing any distinction between FTA and pay-TV channels.
- (66) As FTA and pay-TV channel providers to a large extent carry similar types of content, FTA and pay-TV channel providers also compete upstream to secure the most attractive content. Moreover, as content shown on FTA channels is not limited to public service content (e.g. news and educational material), the content on FTA channels, to a great extent, mirrors the content included in pay-TV channels, which typically reflects the preferences of a broad audience. A programme produced for a pay-TV channel could play on an FTA channel and is not inherently of a different type. For example, NRK competes for sports content with pay TV-channels.

³⁵ Commission decision of 7 April 2017 in Case M.8354 *Fox/Sky*, Commission decision of 24 February 2015 in Case M.7194 *Liberty Global/Corelio/W&W/De Vijver Media*, Commission decision of 6 November 2018 in Case M.8785 *The Walt Disney Company/Twenty-First Century Fox* and Commission decision of 13 September 2018 in Case M.7000 *Liberty Global/Ziggo*.

³⁶ See Commission decision of 6 October 2020 - *PPF Group/Central European Media Enterprises*, para. 36f, where several respondents to the market investigation found the difference between FTA and pay channels to be negligible because both channel types compete for the same content. Additionally, respondents found that these channels compete for the same audiences as all pay-TV subscribers can access FTA channels. In this case, it was also noted that the penetration of premium pay TV-services was rather limited in the relevant Member State (Czechia). With regard to the distinction between basic pay TV and FTA channels, it was also pointed out that basic pay AV mainly shows content that is also available through FTA and thus only differs in the infrastructure used for the transmission.

(67) Since pay-TV channels and FTA channels to a large extent carry the same or similar types of content, a distributor's willingness to pay for a given pay-TV channel is directly affected if an FTA channel has a similar channel profile and thereby attracts the same viewers.

(68) Thus, Viaplay submits that the market for wholesale supply of TV channels should not be segmented by thematic genre.

5.2.3 The market should not be segmented by genre

(69) Viaplay submits that channels consisting of films or sport content do not form distinct markets. Channel producers usually include sports and/or film content on both their main, "generalist", channels and on their more focused (i.e. single genre) channels. For example, large parts of FIS winter sports and Handball World and European Championships are broadcast on Viaplay's generalist channels, which offer sports, films and other content in order to attract a broader audience. Further, the main channels of each provider account for a substantial portion of total viewing time and include content from all genres, including news, sports, youth, films and series.

(70) Furthermore, subscribers can easily access and view content of a particular genre on the generalist channels via e.g. catch-up TV. From the subscribers' point of view and indirectly also from the distributors' point of view, this increases substitutability between generalist channels and the specialised channels.

(71) Viaplay also note that as a general rule, when a channel provider produces TV channels in different genres, these are typically sold to distributors as part of the same contract, i.e. as a "basket of goods". Distributors assess the full package of channels - including channels with a bias towards e.g. news, sports or films - in terms of quality, content, costs, intended retail prices and positioning in their retail offer, rather than evaluating each channel separately.

(72) Accordingly, the Parties submit that the market for wholesale supply of TV channels should not be segmented by thematic genre.

5.2.4 The market should not be segmented by distribution platform

(73) There are no significant differences on either the demand side or the supply side of the market based on the distribution platforms of the distributors.

(74) Since subscribers can and do switch between distributors that use different transmission technologies, the wholesale price of a TV channel for carriage on one technology (which to some extent will feed through to retail prices) cannot be increased significantly without subscribers switching to other platforms that are not so affected.

(75) Viaplay also notes the following: (i) content broadcast on a given TV channel is identical across all distribution platforms, and distributors' preferences do not differ significantly according to which technology they use; (ii) purchasers of TV channels using more than one type of infrastructure technology for distribution normally do not negotiate separate contracts for each type of infrastructure; (iii) the terms and conditions offered to retail distributors are usually not dictated by the specific distribution platform operated by the distributor; and (iv) the content rights acquired by the wholesale providers of TV channels only very rarely limit the wholesale providers to license the content to specific platforms.

(76) This is confirmed by the fact that the Commission's market investigations in recent decisions. In *NENT/Telenor/JV*, the Commission concluded that the relevant product market was the market for the wholesale supply of TV channels, including their ancillary services and covering all types of infrastructure.³⁷

(77) Accordingly, Viaplay considers that a segmentation based on retail distributors' distribution network is not appropriate.

5.2.5 The market should not be segmented by premium and basic pay-TV channels

(78) In past decisions, the Commission has also considered segmenting the market for wholesale supply of pay-TV channels according to whether the channel is sold as part of a basic package or on a higher, premium tier for which an additional subscription fee is paid.

(79) However, such a distinction is in practice difficult to draw, and hence somewhat arbitrary as - even in the same country - different distributors may retail the same channel in different packages/tiers. In Norway, there is for instance no clear-cut definition of premium sports. Several distributors are introducing point based optional packages, where subscribers may use points to select between a range of channels and services, including both traditional basic channels and channels that traditionally have been considered as "premium content".

(80) Viaplay also considers that at retail level: (i) subscribers substitute to some extent between premium and basic channels; and (ii) even in the absence of significant substitutability for individual subscribers, a distributor can choose whether to focus more on attracting end customers that demand premium channels or attracting (other) end customers that are content with basic channels, hence distributors can substitute between basic and premium channels even if individual subscribers do not. Accordingly, basic and premium pay-TV channels constrain one another's prices at the wholesale level.

(81) Therefore, Viaplay considers that a distinction between premium and basic pay-TV channels is not appropriate.

5.2.6 The market is national in scope

(82) Viaplay submits that the market for wholesale supply and acquisition of TV channels is national in scope. This is line with previous decisions by the EU Commission. Notably, the Commission reached this conclusion in *NENT/Telenor/JV*.³⁸

(83) As regards the question of a potential regional Nordic market, Viaplay notes that distribution agreements are national in scope, and that [REDACTED]³⁹ TV channels that amount for the majority of viewing have small audiences outside each country, and the number of Danes, Finns and Swedes living in Norway is limited. Consequently, the share of viewing Danish, Swedish and Finnish channels is negligible.

(84) Against this background, Viaplay submits that the market is national in scope. The exact definition of the relevant market can nevertheless be left open since the Proposed Transaction does not give rise to any competition concerns.

³⁷ Commission decision of 30 April 2020 in case M.9604 - *NENT/Telenor/JV*, para. 34.

³⁸ Commission decision of 30 April 2020 in case M.9604 - *NENT/Telenor/JV*, para. 38.

³⁹ [REDACTED]

5.2.7 Conclusion

- (85) In light of the above, Viaplay submits that the Proposed Transaction should be assessed on the basis of an overall market for the wholesale supply and acquisition of AV services in Norway.
- (86) For the sake of completeness, and in acknowledgment of the Commission's previous market definition, Viaplay also provide data on the following segments of the market for the wholesale supply and acquisition of TV channels:⁴⁰
- TV-channels (including both linear and non-linear services)
 - Linear TV-channels (including both commercial and non-commercial)
 - Commercial linear TV-channels
 - Linear Pay-TV channels
 - Basic linear pay-TV channels
 - Basic sports linear pay-TV channels
 - Premium linear pay-TV channels
 - Premium linear sports pay-TV channels
 - Premium linear film pay-TV channels
- (87) Given that the Proposed Transaction does not give rise to competition concerns based on any plausible definition of the relevant product market, Viaplay submits that the definition of the relevant product market can be left open.

6. Market shares and competitor, customer and supplier information

- (88) Viaplay and Allente's market shares and competitor, customer and supplier information are attached as schedule 4, 5 and 6.

Schedule 4 Retail market shares

Schedule 5 Wholesale market shares

Schedule 6 Competitor, customer and supplier information for Viaplay and Allente in the market for retail supply of AV services

7. The Concentration will not result in a restriction of effective competition

7.1 Introduction

- (89) The Concentration gives rise to vertical overlap between Viaplay's activities in the market for wholesale supply of TV channels and Allente's activities in the market for retail supply of AV services in Norway, as well as horizontal overlap in relation to retail distribution of AV services in Norway.

7.2 No restrictive effect of competition in the market for retail supply of AV services

- (90) The Proposed Transaction gives rise to horizontal overlap in the market for retail supply of AV services. However, Viaplay and Allente are not close competitors, and several strong competitors remain post-Concentration.

⁴⁰ Viaplay does not have any genre-specific channels which are not sports or film pay-TV channels.

- (91) Allente primarily attracts customers who are looking for comprehensive AV solutions, particularly those who value a wide range of TV packages and streaming options. They cater to a broad audience in Norway, offering satellite and IPTV/OTT connections for AV services.
- (92) Viaplay, on the other hand, is mainly active in the market for retail distribution of AV services via its streaming platform Viaplay thus only offering its own content and no other streaming options.
- (93) Based on market shares in volume, which Viaplay considers to be the most appropriate way to estimate market shares,⁴¹ the parties combined market shares in the overall market for retail supply of AV services is [REDACTED] and [REDACTED]. In contrast, the market shares of [REDACTED]. In addition, several strong traditional TV distributors, including Telenor, Telia/Get, Riks TV and Altibox, remain post-Concentration. Hence, Viaplay and Allente will continue to face competition from a wide range of AV retail service providers post-Concentration.
- (94) The distribution of pay AV-services over DTH is in irreversible structural decline in Norway and across the Nordic region as evident from Allente's [REDACTED] DTH platforms [REDACTED]. The roll out of high-speed fibre is good in Norway with the Government goal of all households having access to a broadband of 1 Gpbs within 2030 is within reach (as noted above), at the end of 2023 the 96.2 % had access to broadband of 1 Gpbs).⁴² Recent numbers released by Nkom reveal that use of fiber distribution is growing while distribution across the other traditional distribution networks is in decline.⁴³
- (95) In addition, traditional TV viewership continues to decrease as video consumption shifts to streaming services and online platforms. As noted from the market share figures and as recently reported by Nkom, the use of streaming services has increased steadily in recent years at the expense of traditional TV distribution.⁴⁴ Pursuant to the Nkom figures, traditional TV viewing fell with 5 per cent in favour of online TV compared to the previous year. Further, international streaming services continues to access the Norwegian market. Both national and international OTT players will continue to exercise a competitive constraint on Viaplay post-Concentration.
- (96) These trends support the conclusion that the Concentration will not raise competition concerns, and that the Norwegian market for retail supply of AV services will remain highly competitive and dynamic following implementation of the Proposed Transaction.
- (97) Customers will have several possibilities of switching to competing suppliers in Norway post-Concentration and the switching is not associated with substantial switching cost. This includes both traditional retail suppliers, such as Altibox, Telia, RiksTV and Altibox, and OTT suppliers. It is particularly easy to switch to OTT given the high-speed 5G coverage and fiber roll out in Norway.

⁴¹ Subscriber numbers, rather than revenue, is typically how competitors measure their market positions. Viaplay considers market shares by revenue to be inherently unreliable due to the traditional distributors higher average per user due to their broader offering.

⁴² Nkoms website: <https://nkom.no/statistikk/nokkeltall-og-interaktive-dashbord/bredbandsdekning>.

⁴³ Nkoms website: <https://kommunikasjon.ntb.no/pressemedling/18539141/stadig-faerre-nordmenn-vil-ha-tv-pakker?publisherId=17848282&lang=no>

⁴⁴ <https://nkom.no/aktuelt/stadig-faerre-nordmenn-vil-ha-tv-pakker>

(98) Further, the Proposed Transaction will ensure that Allente and Telenor continue as two fully independent market players. Thus, the Proposed Transaction will not eliminate but rather enhance independent competitive forces on the Norwegian market.

(99) As a result, the Proposed Transaction will not significantly impede effective competition under the Competition Act section 16.

7.3 No restrictive effects of competition in the markets for wholesale supply and acquisition of TV-channels

(100) The Proposed Transaction will not significantly affect competition in any relevant markets. Viaplay will not have the ability or incentive to engage in input foreclosure in Norway.

(101) Viaplay will continue to benefit from wide distribution of its content. By adopting a wide distribution strategy, Viaplay earns significant carriage fees from third-party distributors and gains additional advertising revenues due to the viewing of its channels and content on **their platforms. Increasing Viaplay's ownership of Allente from 50% to 100% and raising correspondingly Viaplay's share in Allente's retail profits will not substantially affect the desirability of this approach, giving Viaplay no reason to adopt a narrow distribution strategy post-Concentration.**

(102) As the [REDACTED] DTH (satellite) is a technology in structural decline. Nordic consumers are adopting AV services delivered over fibre and IPTV platforms, in preference to DTH-based provision. Against this backdrop, it is implausible that many subscribers would move in the opposite direction in response to input foreclosure, switching from the more technologically-advanced two-way communication platforms to the more limited, uni-directional DTH system in which Allente has its base (although Allente also [REDACTED] distribute via OTT and IPTV (approximately [REDACTED] of Allente's subscribers in Norway).

(103) If third-party distributors were foreclosed, any of their subscribers who wished to continue **viewing Viaplay's content would readily be able to access this by subscribing to Viaplay's OTT streaming service, in addition to or instead of their existing subscription.** By subscribing to Viaplay itself instead of moving to Allente, consumers avoid the inconvenience and set-up costs of joining Allente's platform, making the former the more attractive option.

(104)

[REDACTED]

(105)

[REDACTED]

- (106) In view of this, and also the recent retail trends discussed above, it is likely that a high proportion of any diverted subscribers would take up Viaplay's OTT service, not switch to Allente. Accordingly, Viaplay's incentives towards distribution of its content will not be significantly affected by the Proposed Transaction.
- (107) Viaplay's wholesale customers include large, powerful retail competitors who are in a strong position to defend themselves against any foreclosure attempt by taking measures to retain their subscribers and maintain their customer bases. These operators could be expected to reduce their retail prices, with the resulting reduction in average revenue per user (ARPU) offset by the saving in carriage fees no longer paid to Viaplay in order to retain subscribers who might otherwise consider switching to Viaplay or Allente.
- (108) Alternatively, or in addition, the foreclosed distributors may invest the avoided Viaplay carriage fees in alternative content to appeal to their existing subscribers and attract new ones. Such measures will mitigate switching to Allente, reducing Viaplay's potential benefit from input foreclosure while doing nothing to lessen its costs, thus reducing the attractiveness of such a strategy.
- (109) Third-party distributors can defend themselves against a foreclosure strategy in which part, but not all, of Viaplay's content is withheld, e.g. foreclosure of premium content while continuing to supply basic channels, by refusing to sign carriage agreements that do not include all the Viaplay content desired. By making carriage negotiations "all or nothing", the distributor raises the cost of foreclosure by forcing Viaplay to forgo carriage fees and advertising revenues across its entire content portfolio, not just a few selected elements which might be capable of influencing subscriptions while incurring a smaller loss of wholesale revenues.
- (110) Input foreclosure might hypothetically be targeted on an individual retail competitor, denying Viaplay's channels and content to this distributor while continuing to supply the others. Under such a strategy, subscribers of the targeted distributor who wish to continue receiving Viaplay's content could do so by switching to another third-party distributor, not just to Viaplay or Allente. Accordingly, diversion of subscribers to Allente would be correspondingly lower, rendering a targeted foreclosure strategy even less attractive than one in which all third-party distributors are foreclosed.
- (111) Refusal to supply may weaken Viaplay's position in future carriage fee negotiations with the foreclosed distributor(s), should Viaplay wish to supply this operator at a future time or in a different geographic market, and with other third-party distributors who may look unfavourably on Viaplay as a result of such behaviour.
- (112) Input foreclosure also runs the risk of provoking a regulatory response due to strong political or regulatory preferences for wide distribution, especially of sports content. Depending on the nature and strength of such a reaction, Viaplay's incentive and/or ability to pursue an input foreclosure strategy may be curtailed.
- (113) In relation to customer foreclosure, Allente's platform does not contribute a sufficiently high share of channel revenues for the loss of carriage on this platform to foreclose third-party channels providers.

- (114) In light of the above, the Proposed Transaction does not give rise to any concerns related to the vertical overlap between Allente and Viaplay.

8. Confidentiality

- (115) The notification contains business secrets under the Public Administration Act section 13 first paragraph no. 2.
- (116) Business secrets concerning Viaplay are marked with **GREEN**, while business secrets concerning Allente are marked with **BLUE**. Information marked with **PURPLE** is considered business secrets towards all involved and third parties.
- (117) Justification for exemption from public disclosure is set out in Schedule 7.

Schedule 7 Justification for exception from public disclosure (in Norwegian)

* * *

Yours sincerely
Advokatfirmaet BAHR AS

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