

4 May 2017

ACCC RELEASES STATEMENT OF ISSUES ON PROPOSED MERGER BETWEEN APN OUTDOOR GROUP LIMITED AND OOH!MEDIA LIMITED

The Australian Competition and Consumer Commission has released a Statement of Issues expressing preliminary concerns about the proposed merger between APN Outdoor Group Limited (ASX: APO) and oOh!media Limited (ASX: OML).

“Many industry participants have competition concerns in relation to the merger. It will combine the two largest providers of out-of-home advertising in Australia, creating a market leader with over 50 per cent of all out-of-home advertising, and an even higher share in some segments, such as roadside billboards,” ACCC Chairman Rod Sims said.

Out-of-home advertising, also known as “outdoor advertising”, includes advertising on billboards on the side of roads, bus shelters, train stations, taxis and buses, at leisure centres, public toilets, shopping malls and supermarkets.

The merged firm would be the only out-of-home provider with a presence in all categories of out-of-home advertising. Other out-of-home providers have significantly smaller market shares and tend to focus on particular categories of out-of-home advertising.

“The ACCC’s preliminary view is that the merger is likely to substantially lessen competition in the out-of-home advertising market. The loss of competition could result in increased prices for advertisers, or lower levels of service, quality, or innovation.”

“Further, the ACCC is concerned the merger may damage the interests of site owners, who rely on competition between APN Outdoor and oOh!media to obtain the maximum rent for their sites,” Mr Sims said.

“Industry participants have also raised concerns that the combined APN Outdoor/oOh!media will be able to squeeze competitors out of the market, by bundling billboards, where it has a dominant position, with other forms of out-of-home advertising,” Mr Sims said.

The ACCC invites further submissions from interested parties in response to the Statement of Issues by 19 May 2017. The ACCC’s final decision is due on 6 July 2017.

The Statement of Issues is available on the [public register](#).

Background

APN Outdoor Group Limited and oOh!media Limited are Australia’s two largest suppliers of out-of-home advertising services. They are both listed on the Australian Securities Exchange and have operations in Australia and New Zealand.

Media enquiries: 1300 138 917

Email: media@accc.gov.au

www.accc.gov.au/media