

ACCC will not oppose Seven's proposed acquisition of shares in Foxtel's Presto

Written by ACCC



2 March 2015. The Australian Competition and Consumer Commission has announced that it will not oppose the proposed acquisition of shares in the Presto Entertainment subscription video on demand (SVOD) service by Seven Network Operations, a subsidiary of Seven West Media (ASX: SWM).

Presto Entertainment provides subscribers with access to general entertainment content including premium and library drama and children's content. Foxtel has already launched the Presto Entertainment service as well as a SVOD movies service called Presto Movies. Seven proposes to acquire shares to participate in a joint venture with Foxtel for the Presto Entertainment service only.

"The ACCC determined that, following the proposed acquisition, the Presto Entertainment service would continue to face strong competition from other SVOD services such as Stan (a joint venture between Nine and Fairfax) and Netflix, which has announced it will launch in Australia this month," ACCC Chairman Rod Sims said.

"Competition and consumer choice in paid television services is increasing with the launch of services like Presto, Stan, and Netflix."

The ACCC considered whether the combined involvement of Foxtel and Seven, leading providers of subscription and free to air television respectively, would give the Presto service an advantage over its SVOD competitors. However, the ACCC found that there is a wide range of content available to SVOD providers and the joint venture is unlikely to have a significant competitive advantage in obtaining access to compelling content.

Foxtel is the only Australian provider of subscription television services over cable and satellite networks.

Seven West Media is listed on the Australian Stock Exchange. It operates the free to air Seven

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television network and owns a range of other media assets.

Further information is available on the [public register](#).