



Decision CPC: 44/2021

Case Number: 08.05.001.021.035

## THE CONTROL OF CONCENTRATIONS BETWEEN ENTERPRISES LAW

No. 83(I)/2014

**Notification of concentration regarding the acquisition of the share capital of Jetfuel by Vungle, Inc., via Chevron Merger Sub I, Inc. and Chevron Merger Sub III, LLC**

Commission for the Protection of Competition:

Mrs. Loukia Christodoulou,	Chairperson
Mr. Panayiotis Ousta	Member
Mr. Aristos Aristeidou Palouzas	Member
Mr. Andreas Karydis,	Member
Mr. Polynikis-Panagiotis Charalambides	Member
Mr. Andreas Karydis,	Member

Date of Decision: 7/07/2021

### SUMMARY OF THE DECISION

On 16/06/2021, the Commission for the Protection of Competition (hereinafter the "Commission") received on behalf of The Blackstone Group Inc., a notification of a proposed concentration. The notification was filed according to Section 10 of the Control of Concentrations between Enterprises Law 83(I)/14 (hereinafter the "Law").

The notification concerns a concentration, according to which, Vungle, Inc. (hereinafter among with its affiliated companies the "Vungle"), a portfolio company that is controlled by affiliates of The Blackstone Group Inc. (hereinafter among with its affiliated companies or affiliated investment funds depending on the case (hereinafter the "Blackstone"), will acquire the share capital of Jetfuel, Inc.

(hereinafter the “Company”, and together with its subsidiaries the “Target”), through Redbird Parent Holdings Inc. (hereinafter “Redbird Parent”), Chevron Merger Sub I, Inc. (hereinafter “Chevron Merger Sub I”) and Chevron Merger Sub III, LLC (hereinafter “Chevron Merger Sub III”).

- Vungle, Inc. is a portfolio company, duly registered under the Laws of Delaware of United States of America that is controlled by funds, which are consulted or managed by Blackstone affiliated companies. Vungle, Inc. is active in the provision of technology-enabled advertising services to advertisers who seek promotion in marketing their brands. Vungle acts as an intermediary between mobile app advertisers and publishers.
- Blackstone Group Inc. is a company listed on the New York Stock Exchange and operates as an investment management firm.
- Chevron Merger Sub I and Chevron Merger Sub III are special purpose vehicles, which were set up to act as Buyers for the purposes of the notified concentration and they do not have any previous activities.
- Jetfuel, Inc. is a duly registered company under the laws of California of United States of America. The Target is active in the provision of a platform that gives to the advertisers direct access to thousands of influencers, who promote applications on the per installation payment basis.

The concentration is based on the Agreement and Plan of Merger dated 4th of June 2021 by and among Redbird Parent, Chevron Merger Sub I, Chevron Merger Sub III, the Company and Shareholder Representative Services LLC, as the sellers’ representative (hereinafter the «Agreement»).

Based on this Agreement, Chevron Merger Sub I shall merge with and into the Company (the “First Merger”), with the Company surviving the First Merger as a wholly-owned subsidiary of Redbird Parent. Then the Company shall merge with and into Chevron Merger Sub III (the “Second Merger”), with Chevron Merger Sub III surviving the Second Merger as a wholly-owned subsidiary of Redbird Parent. Immediately after the consummation of the Second Merger, Chevron Merger Sub III will be contributed down under the control of Vungle, which is a subsidiary of Redbird Parent. As a result, Vungle, via Redbird Parent, will own the entire control of Chevron Merger Sub III and thus the Target.

The Commission, taking into account the facts of the concentration, has concluded that this transaction constitutes a concentration within the meaning of section 6(1)(a)(ii) of the Law, since it leads to a permanent change of control of Target.

Furthermore, based on the information contained in the notification, the Commission found that the criteria set by section 3 (2) (a) of the Law were satisfied and therefore the notified concentration was of major importance falling within the scope of the Law.

The relevant product markets in this case were defined as the intermediation services for online advertising and specifically the submarket of intermediation services for advertising on mobile devices in the territory of the Republic of Cyprus.

The Commission concluded that there is a horizontal overlap between the activities of one of the controlled portfolio companies of Blackstone, Liftoff Mobile, Inc. (hereinafter referred to as "Liftoff Mobile"), Vungle and the Target in Cyprus in the market of intermediation for online advertisements and / or in the narrower submarket of mobile advertising intermediation in Cyprus.

The Commission noted that there is no an affected market according to Annex I of the Law, regarding the horizontal overlap of the activities of the participating companies in Cyprus, due to the fact that the joint market share in the relevant market is less than 15%.

There is no vertical overlap in the activities of participants in the concentration, in Cyprus.

The Commission, on the basis of the factual and legal circumstances, unanimously decided that this concentration does not create or strengthen a dominant position as there is no affected market and therefore the concentration does not raise serious doubts as to its compatibility with the operation of the competition in the market.

In addition, the Commission concluded that there are no other markets where the notified concentration is likely to have a significant impact, under the provisions of the Law.

Therefore, the Commission, acting in accordance with section 22 of the Law, unanimously decided not to oppose the notified concentration and declare it as being compatible with the operation of the competition in the market.

Loukia Christodoulou  
Chairperson of the  
Commission for the Protection of Competition