



Decision CPC: 43/2021

Case Number: 08.05.001.021.031

**THE CONTROL OF CONCENTRATIONS BETWEEN ENTERPRISES LAW**

**No. 83(I)/2014**

**Notification of concentration concerning the acquisition of the share capital of  
Chartboost Inc. by Zynga Inc.**

Commission for the Protection of Competition:

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|--|-------------|
| Mrs. Loukia Christodoulou              | Chairperson |
| Mr. Andreas Karidis,                   | Member      |
| Mr. Panayiotis Oustas,                 | Member      |
| Mr. Aristos Aristidou Palouzas,        | Member      |
| Mr. Polinikis Panayiotis Charalambides | Member      |

Date of decision: 7 July 2021

**SUMMARY OF DECISION**

On the 24th of May 2021, the Commission for the Protection of Competition (hereinafter the “Commission”) received on behalf of Zynga Inc. (hereafter “Zynga” or “Buyer”) 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 concerned the acquisition of Chartboost Inc. (hereafter “Chartboost” or the “Target”) by Zynga.

1. Zynga is duly registered under the laws of the United States of America. The company is a provider of social game services in various mobile and network platforms (i.e. iOS, Android, Facebook) and gaming consoles as well. Mainly company's revenue is from advertising services and in-game virtual items.
2. Chartboost is a duly registered company under the laws of the United States of America. Target is a mobile game in-app programmatic advertising and monetization platform. Chartboost's platform allows video game developers to create customized interstitial and video advertisements to promote new games.

The concentration is based on an Agreement and Plan of merger dated 4<sup>th</sup> of May 2021 between Zynga Inc., Carnation Merge Co. Inc., Chartboost Inc. and Shareholder Representative Services LLC as the Securityholder Representative.

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

Furthermore, based on the information contained in the notification, the Commission found that the criteria set by section 3(2)(α) of the Law were satisfied and therefore the notified transaction was of major importance under the Law.

The Commission, having taken into account all the elements of the administrative file as well as relevant case law, concluded that, for the purposes of evaluating this concentration, the relevant product market is defined as (a) the market purchase of games via mobile applications and (b) the market for mobile internet advertising.

For the purposes of the present case, the geographic market was defined as that of the Republic of Cyprus for the above said relevant product markets.

According with the undertaking concerned, this concentration leads to a horizontal overlap in the market of providing online adverts on mobile devices. According to the parties, Zynga, has a market share 0-5% and Target has 0% market share (not operating in Cyprus market). Therefore, the Commission concluded that there is no affected market.

Zynga, based on data from the notification, in Cyprus, holds a market share of [0-5]% in the market of games via mobile applications and Chartboost a share of [0-5]% (which is probably much smaller) in the advertising market. The Commission, evaluating the vertical relationship between the activities of the two companies involved, finds that these are market shares that do not exceed 25% provided in Annex I of the Law.

Considering the above, the Commission concludes that there is no affected market based on Annex I of the Law. In addition, there are no vertical relationships or other markets which the notified concentration may have significant impact.

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.

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