

Darren Jones MP
Business and Trade Select Committee
House of Commons
London
SW1A 0AA

From: Sarah Cardell
Chief Executive Officer

Direct line: 020 3738 6286

30 August 2023

Dear Darren

In my letter of 26 May, I promised to come back to the Committee on the final numbers of “oral and written” contacts between the FTC and the CMA in relation to the Microsoft Activision merger. The team has meticulously reviewed interactions over the seven-month period to ensure we provide accurate figures, and I can confirm that between the start of the CMA’s Phase 2 inquiry on 15 September 2022, and the publication of its final report on 26 April 2023, the CMA had 27 meetings (including calls and virtual meetings) and exchanged (i.e. sent and received) 76 emails with the FTC (including administrative emails to arrange the calls) in relation to this case.

These final numbers do not materially differ from the approximate numbers in my earlier letter (26 meetings and 74 emails).

You will be aware Microsoft and Activision have agreed a new, restructured deal, which has been submitted to the CMA to review in a new investigation. Under the restructured deal, Microsoft will not acquire the cloud streaming rights to all current and future Activision games released during the next 15 years (excluding in the EEA). CMA’s new investigation will be carried out in line with the CMA’s usual Phase 1 processes and the statutory deadline for a decision is 18 October 2023.

Microsoft had sought to revisit the CMA’s original prohibition decision, arguing that blocking the original deal was no longer appropriate in light of developments since the CMA issued its Final Report in April, including the acceptance of binding commitments by the European Commission and a licensing deal agreed between Sony and Microsoft. The independent group which took the original decision reviewed these submissions and decided that they did not provide any basis for a

change to the original prohibition decision. To give final legal effect to that decision, the CMA imposed on 22 August a Final Order which prohibits the original deal on a worldwide basis.

Please do not hesitate to contact me if you have further questions.

Yours sincerely,

A handwritten signature in black ink, appearing to read 'Sarah Cardell', with a stylized, cursive script.

Sarah Cardell

Chief Executive

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