

CMA provisionally clears NortonLifeLock / Avast merger

NortonLifeLock and Avast both offer cyber safety software to consumers under a variety of different brands. Products include antivirus software (also known as endpoint security software), privacy software (such as VPNs) and identity protection software. The companies announced plans to merge in a £6 billion deal in August 2021.

The Competition and Markets Authority (CMA) referred the merger for an in-depth Phase 2 inquiry in March 2022, after identifying competition concerns during an initial Phase 1 investigation.

Following a more detailed Phase 2 investigation, the CMA has now provisionally concluded that the deal does not raise competition concerns in the UK.

The CMA's investigation has found that the supply of cyber safety software to consumers is rapidly evolving. Providers of both paid-for and free services are continually developing and improving their products over time to meet different and changing customer needs.

While the CMA's Phase 1 decision raised concerns about the extent of competition that the merged business would face, a more detailed analysis of the deal has found that the merging businesses face significant competition. This comes from McAfee – their main rival – plus a range of other suppliers that currently have a smaller market position in the UK.

The CMA also found that security applications provided by Microsoft, which holds a unique position in the market as the owner of the Windows operating system, are increasingly important alternatives for consumers.

In recent years, Microsoft has improved its free built-in security application so that it now offers protection which is as good as many of the products offered by specialist suppliers. In addition, applications recently launched by Microsoft for its customers bring its cyber safety offering closer to those of the merging businesses and are likely to further strengthen Microsoft as a competitor going forward.

On this basis, the CMA considers that the merging businesses will continue to face sufficient competition after the deal completes and has provisionally concluded that the merger does not raise competition concerns.

Kirstin Baker, chair of the CMA inquiry group, said:

Millions of people across the UK rely on cyber safety services to keep them safe online.

After gathering further information from the companies involved and

other industry players, we are currently satisfied that this deal won't worsen the options available to consumers. As such, we have provisionally concluded that the deal can go ahead.

The CMA welcomes responses from interested parties to its provisional findings by 24 August. These will be considered ahead of the CMA issuing its final report, which is due by 8 September 2022.

For more information, visit the [NortonLifeLock / Avast merger inquiry page](#).

1. For media enquiries, contact the CMA press office on 020 3738 6460 or press@cma.gov.uk.