

Press release: CMA accepts commitments offered to address online auction concerns

The Competition and Markets Authority (CMA) has today [accepted final commitments](#) offered by the company, which it believes will enable more competition between online auction platforms. It consulted on ATG Media's proposed commitments [last month](#).

ATG Media is the largest provider of live online bidding platforms in the UK, including 'The Saleroom' – an arts and antiques platform. These platforms are used by auction houses to facilitate online live bidding without bidders having to attend in person.

Last November the CMA launched a Competition Act investigation into 3 practices used by ATG Media which it considered may breach competition laws by preventing or discouraging its customers from using rival platforms.

The 3 practices under investigation were:

- obtaining exclusive deals with auction houses, so that they do not use other providers;
- preventing auction houses getting a cheaper online bidding rate with other platforms for their bidders – through contract clauses known as most favoured nation (MFN) or price parity clauses; and
- preventing auction houses promoting or advertising rival live online bidding platforms in competition with ATG Media.

The CMA considers that these practices may have prevented ATG Media's rivals from being able to compete effectively in the market and prevented consumers from getting a better deal for online bidding.

ATG Media has today given legally binding promises to the CMA (known as commitments) to stop carrying out any of these practices for a period of 5 years.

Following acceptance of these commitments, the CMA has closed its investigation into whether ATG Media has abused a dominant position or entered into anti-competitive agreements.

The CMA no longer needs to take a decision on an application from a third party for 'interim measures' directions, to halt the practices pending the outcome of a full investigation, as the commitments fully address all its

competition concerns and bring a halt to those practices. The CMA had given serious consideration to the application for interim measures but shortly before it was to make a final decision on this, ATG Media made its commitments offer.

Michael Grenfell, Executive Director of Enforcement at the CMA, said:

We are pleased that ATG Media has given commitments which address all our concerns. Now these previous restrictions have been removed, we believe alternative platforms or new entrants will be able to compete more easily and offer cheaper commission rates to bidders.

Online and digital markets represent a large and growing part of the economy and we must ensure that these often fast-moving markets do not evolve in ways which may harm consumers.

Reaching a swift outcome in this case demonstrates our ability to ensure that potentially anti-competitive practices are ended quickly.

Further details about the CMA's investigation can be found on the [case page](#).

Note for editors

1. The CMA is the UK's primary competition and consumer authority. It is an independent non-ministerial government department with responsibility for carrying out investigations into mergers, markets and the regulated industries and enforcing competition and consumer law. For CMA updates, follow us on Twitter [@CMAgovuk](#), [Flickr](#), [LinkedIn](#) and [Facebook](#). Sign up to our [email alerts](#) to receive updates on Competition Act 1998 cases.
2. The Chapter I prohibition in the Competition Act 1998 (the Act) prohibits anti-competitive agreements and concerted practices between businesses which have as their object or effect the appreciable prevention, restriction or distortion of competition within the UK. The Chapter II prohibition in the Act prohibits the abuse of a dominant position by one or more companies which may affect trade within the UK or a part of it. Articles 101 and 102 of the Treaty on the Functioning of the European Union (TFEU) contain equivalent provisions applicable where there may be an appreciable effect on trade between EU Member States.
3. On 22 November 2016, the CMA launched an investigation into suspected breaches of competition law in respect of the supply of auction services in the UK. The investigation is under Chapters I and II of the Act, and Articles 101 and 102 TFEU. The investigation relates to suspected anti-competitive agreement(s) or concerted practice(s) and suspected abuse of

dominance in the supply of live online bidding auction platform services in the UK, in particular, suspected exclusionary and restrictive pricing practices, including most favoured nation provisions in respect of online sales.

4. Where the CMA has begun an investigation under section 25 of the Act, it may accept commitments to take such action as it considers appropriate for the purposes of addressing the competition concerns it has identified. When the CMA has formally accepted commitments, it must close its investigation into the conduct that was the subject of the investigation.
5. The decision by the CMA to accept commitments does not amount to or imply any finding as to the legality or otherwise of the conduct by the parties under investigation either prior to acceptance of the commitments or once the commitments are in place.
6. The CMA may reopen its investigation and take other action in certain limited circumstances (for example, where it has reasonable grounds for suspecting non-compliance with the commitments or believing that there has been a material change of circumstances since the commitments were accepted).
7. Any businesses or individuals that have concerns about compliance with the commitments can contact the CMA by email (general.enquiries@cma.gsi.gov.uk) or by phone (020 3738 6000).
8. The CMA also received an application under section 35 of the Act for interim measures in connection with this case. As a result of acceptance of commitments and closure of the investigation, the CMA will not reach a decision on whether or not to issue interim measures directions.
9. Media enquiries to the CMA should be directed to press@cma.gsi.gov.uk or 020 3738 6798.