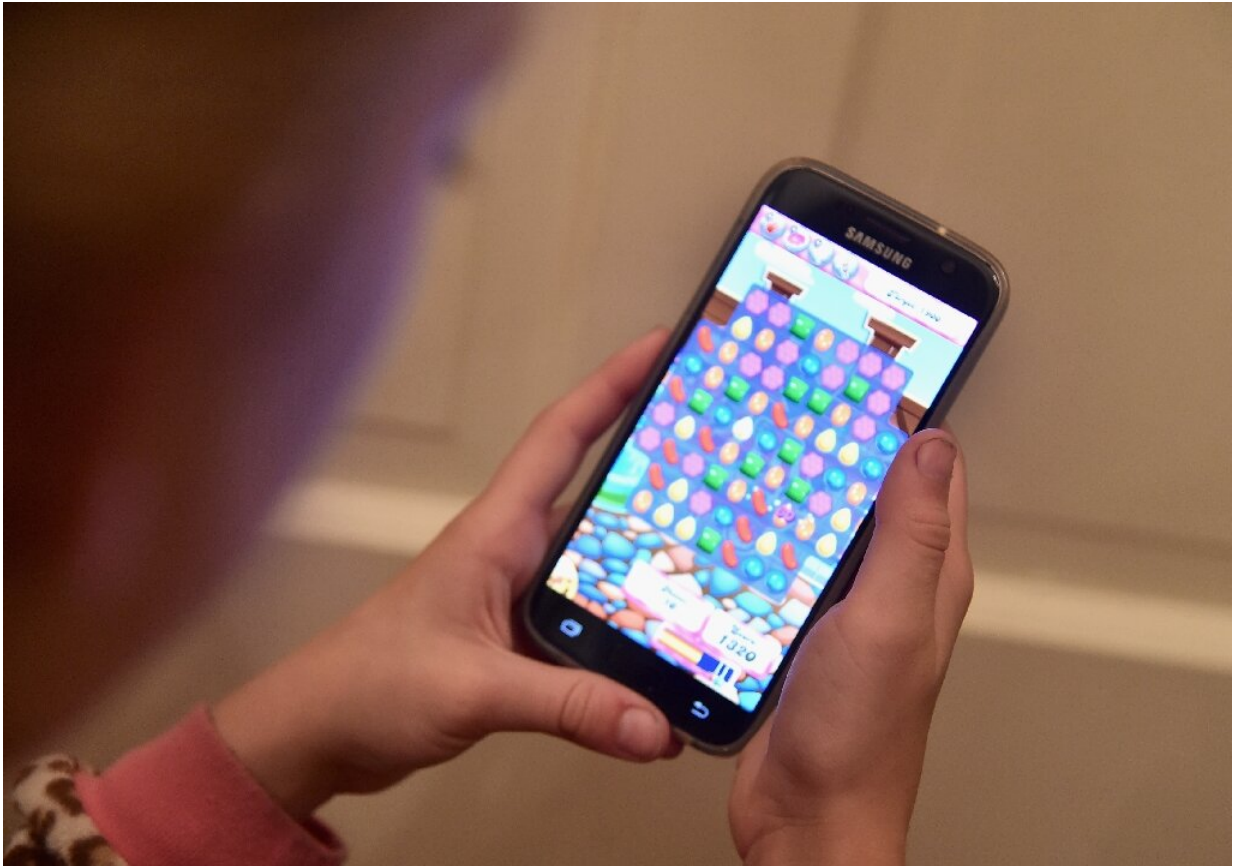


# Microsoft's Activision bid gets a boost in UK

March 24 2023

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Activision Blizzard owns "Candy Crush" and "Call of Duty"

Microsoft's \$69-billion takeover bid for US video game giant Activision Blizzard scored a victory on Friday as Britain's competition regulator narrowed the scope of its probe to cloud gaming.

Xbox-owner Microsoft launched last year its bid to create the world's third biggest gaming company by revenue with the takeover of Activision, owner of hit games "Candy Crush" and "Call Of Duty", triggering European antitrust concerns.

The UK's Competition and Markets Authority (CMA) had stated in provisional findings last month that the deal could hurt competition in cloud gaming and gaming consoles.

However, it declared Friday that the "transaction will not result in a substantial lessening of competition in relation to console gaming in the UK", citing new evidence from a consultation with interested parties.

As a result, the CMA's investigation will now focus only on cloud gaming.

Prior CMA analysis assumed Microsoft would seek to make "Call of Duty" exclusive to the Xbox console, at the expense of Sony's PlayStation.

However, the CMA has now concluded that "this strategy would be significantly loss-making under any plausible scenario".

Microsoft welcomed the news and offered to work with regulators to resolve outstanding concerns.

Prior to Friday's update, Sony requested that the CMA block the transaction on grounds it could give Microsoft the ability to "foreclose its rivals" from the Call of Duty franchise.

The UK regulator is due to present its final report by April 26.

Friday's news comes one week after Microsoft offered formal

commitments to the European Union as it bids to persuade the bloc to approve the deal.

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Citation: Microsoft's Activision bid gets a boost in UK (2023, March 24) retrieved 29 April 2024 from <https://techxplore.com/news/2023-03-microsoft-activision-boost-uk.html>

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