

Microsoft and UK regulators want more time to work on \$69 billion Activision deal

July 17 2023



Visitors passing an advertisement for the video game 'Call of Duty' at the Gamescom fair for computer games in Cologne, Germany, Aug. 22, 2017. Microsoft has signed an agreement with Sony to keep the "Call of Duty" video game series on PlayStation following the tech giant's acquisition of the video game maker Activision Blizzard. The announcement was made Sunday, July 16, 2023 in a Twitter post by Phil Spencer, who heads up Microsoft's Xbox. Credit: AP Photo/Martin Meissner, File



Microsoft and British regulators sought more time from a court Monday as the U.S. tech company uses a <u>rare second chance</u> to overcome opposition to its \$69 billion bid for video game maker Activision Blizzard.

Lawyers for Microsoft and the Competition and Markets Authority tried to persuade a <u>judge</u> to delay an hearing planned after the CMA <u>rejected</u> <u>the deal</u> and Microsoft appealed. The regulator later gave Microsoft more time to make its case for the blockbuster purchase of the Call of Duty game maker to go through.

The deal has already won approval in the European Union and a slew of countries but has faced opposition from antitrust regulators in Britain and the United States.

The U.K. blocked the deal on concerns that it would stifle <u>competition</u> in the small but fast-growing cloud gaming market.

The U.K. position, however, appears to be softening. The watchdog said last week that it's giving itself six extra weeks to consider Microsoft's submission outlining <u>new developments</u> and "special reasons" why the deal should be approved.

Both sides had said they were asking the Competition Appeal Tribunal for the delay after a court in the U.S. thwarted the Federal Trade Commission's efforts to stop the acquisition.

Judge Marcus Smith indicated he would scrutinize the "troubling application" to delay the appeal after an earlier request was denied.

Smith said he wanted assurances from the Competition and Markets Authority that the FTC's failure to block the deal played no part in its reasoning for requesting a delay to give Microsoft another chance.



Another sign that momentum for the deal is growing came Sunday when Microsoft said it has signed a <u>10-year agreement with Sony</u> to keep the popular Call of Duty video game series on the PlayStation console if the merger goes through.

The Call of Duty series of games, made by Activision, has been a flashpoint in the battle over the acquisition. Sony has fiercely resisted the <u>deal</u> by Microsoft, which makes the Xbox console, over worries that it would lose access to Call of Duty.

As it tried to win over regulators around the world, Microsoft has been signing provisional deals to license Activision titles like Call of Duty to Nintendo and some cloud gaming providers. Sony had been holding out until now.

© 2023 The Associated Press. All rights reserved. This material may not be published, broadcast, rewritten or redistributed without permission.

Citation: Microsoft and UK regulators want more time to work on \$69 billion Activision deal (2023, July 17) retrieved 12 May 2024 from <u>https://techxplore.com/news/2023-07-microsoft-uk-billion-activision.html</u>

This document is subject to copyright. Apart from any fair dealing for the purpose of private study or research, no part may be reproduced without the written permission. The content is provided for information purposes only.