

The CNMC approves the merger between Norton and Avast

- Norton has announced its acquisition of Avast by way of a takeover bid.
- It approves the merger in the first phase without commitments as it envisages no competition risks.

Madrid, February 25, 2022.- The CNMC has granted first phase approval of the Norton/Avast merger dated 23 February 2022 ([C/1263/22](#)).

The transaction consists of Nortonlifelock Inc (Norton) acquiring sole control of Avast Plc (Avast) by way of a takeover bid through a framework agreement.

Norton is an American company that provides global cybersecurity solutions (software and services) to consumers through a variety of paid subscription models.

Avast is a Czech multinational company specialising in the development of cybersecurity software. Its business model is based on *freemium* solutions, offering both free services and paid services with additional functionalities. Avast is particularly active in the cybersecurity solutions for devices and device care markets.

The CNMC considers that the transaction does not significantly alter the competitive situation in the cybersecurity solutions market for consumers.

Both at the global and European Economic Area levels, including in Spain, the main horizontal overlaps between Norton and Avast are in the broad market for consumer cybersecurity solutions and, more specifically, in the narrow market for device security solutions. The parties' combined market shares are also relevant in the market for consumer VPN solutions and device care solutions, although the market share increase of the operation is small.

However, the market share analysis may overestimate the actual weight of the parties as it does not take into account the existence of free cybersecurity solutions, closed ecosystems, or default solutions built into devices, the *Microsoft Defender* device security software being a case in point.

On the other hand, *Big Tech* companies do exert considerable competitive pressure on the market, as well as on the development of new innovative solutions, as reflected in the market test conducted by the CNMC.

Finally, increasing digitalisation and the threat of cybercrime in turn drive market growth and the development of new cybersecurity solutions.

In view of the above, the CNMC has decided to approve the operation in the first phase without commitments.

[\(C/1263/22\)](#).

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