



## Commission approves UMG's acquisition of Downtown, subject to conditions

Brussels, 13 February 2026

The European Commission has approved, under the [EU Merger Regulation](#), the proposed acquisition by Universal Music Group N.V. ('UMG') of Downtown Music Holdings LLC ('Downtown'). The approval is conditional upon full compliance with the commitments offered by the companies, which entail the full divestment of Downtown's royalty accounting platform Curve Royalty Systems, Ltd ('Curve').

Today's decision follows an [in-depth investigation](#) of the proposed transaction, including the sending of a [Statement of Objections](#).

**UMG**, headquartered in the Netherlands, is globally active in recorded music, music publishing, merchandising, and audiovisual content. As part of its activities in recorded music, UMG also offers artist and label ('A&L') services, both to independent record companies as well as to artists through its Virgin subsidiary.

**Downtown**, headquartered in the US, is a global music company providing A&L services both to independent record companies as well as to artists, and publishing services to third-party authors and songwriters. Downtown also provides royalty accounting services through Curve, which offers, amongst others, processing, accounting, payment and other services relating to royalties and rights management. Downtown's activities focus mainly on digital distribution, its physical distribution activities are limited.

### The Commission's investigation

In the context of its in-depth investigation, the Commission gathered extensive feedback from rival suppliers of recorded music and A&L services, digital service platforms ('DSPs'), labels and artists, as well as international and national music associations.

The Commission concluded, after its in-depth investigation, that the proposed transaction would not lead to a significant impediment of effective competition in the markets where UMG and Downtown's activities overlap, namely in recorded music, A&L services and music publishing.

Specifically, the Commission's market investigation confirmed that:

- There are several viable competitors, such as Sony Music Entertainment, Warner, and many other independent A&L service providers such as Believe, Distrokid, IDOL, Kontor or ONErpm. The investigation also confirmed that the switching between these alternative service providers is already happening, and is neither costly nor time-consuming.
- Based on its market share verification exercise, the Commission was able to confirm that the combined market shares of UMG and Downtown in recorded music and A&L services remain moderate in any of the relevant markets.
- The proposed transaction will not significantly shift the negotiation position of UMG in its licensing discussions with DSPs. These include globally operating streaming platforms such as Spotify, Apple Music and Amazon Music.

At the same time, the Commission concluded in its market investigation that Curve processes information regarding the commercial relationship between an artist and its label. The Commission found that the transaction, as initially notified, would have harmed competition, as **UMG could have gained access to commercially sensitive data of rival record labels, which is stored on Curve.**

In particular, the Commission's investigation in this regard found that:

- UMG would have the **ability** to access the data on Curve, which processes **data of UMG's rivals**.
- UMG would have the **incentives** to access the data on Curve, given UMG's interest to more precisely **assess the profitability** of artists currently signed with rival labels and **gain general insights** on recent market trends by region or specific demographic groups.
- UMG's access to Curve **would hamper effective competition** on the market for wholesale distribution of recorded music, in particular rival labels' ability and incentive to compete with UMG.

Conversely, the Commission found that the information processed by other Downtown products is not commercially sensitive. The data stored on these products is either publicly available or does not concern commercial terms of rivals of UMG.

### The proposed remedies

To address the Commission's competition concerns, UMG and Downtown offered a remedy package that was improved following the market test. The final remedy package consists of the **full divestment of Curve**, including:

- All of Curve's customers and their data, as well as Curve's supply contracts.
- All of Curve's personnel.
- Curve's platform, including the source code, data and algorithms, as well as IT hardware used exclusively by Curve.

The purchaser will grant the merged entity a transitional license (without any data of the Curve's customers) to enable it to use the Curve software for limited internal purposes only.

These commitments **fully address the competition concerns** identified by the Commission, as they prevent UMG from obtaining access to the commercially sensitive data of its rivals stored on Curve.

On this basis, the Commission concluded that the transaction, as modified by the commitments, **would no longer raise** competition concerns.

The decision is conditional upon full compliance with the commitments. Under the supervision of the Commission, an independent trustee will monitor their implementation.

The Commission will approve a suitable purchaser for Curve in a separate procedure.

### Merger control rules and procedures

The proposed transaction did not meet the turnover thresholds of the EU Merger Regulation. However, it was notified for merger control clearance in Austria and the Netherlands, where it met the relevant national turnover-based notification thresholds.

The Dutch competition authority submitted a referral request to the Commission pursuant to Article 22(1) of the EU Merger Regulation. The Commission accepted the request from the Netherlands, which was joined by Austria. The Commission assessed the impact of the acquisition of Downtown by UMG within the territory of these Member States under the EU Merger Regulation.

The transaction was notified to the Commission on 16 June 2025, and the Commission opened an in-depth investigation on [28 July 2025](#). On [24 November 2025](#), the Commission issued a Statement of Objections to UMG setting out its preliminary competition concerns.

The Commission has the duty to assess mergers and acquisitions involving companies with a turnover above certain thresholds (see Article 1 of the [EU Merger Regulation](#)) and to prevent concentrations that would significantly impede effective competition in the EEA or any substantial part of it.

The vast majority of notified mergers do not pose competition problems and are cleared after a routine review. From the moment a transaction is notified, the Commission generally has 25 working days to decide whether to grant approval (Phase I) or to start an in-depth investigation (Phase II).

There are currently two ongoing phase II merger investigations: (i) [the proposed acquisition of Anglo American's nickel business by MMG](#) and (ii) [the proposed acquisition of joint control over TERCAT by TIL and Hutchison Ports](#).

## For more information

More information will be available on the Commission's [competition website](#), in the [public case register](#) under the case number [M.11956](#).

IP/26/385

## Quote(s):

*"The music industry plays an important role in bringing artists' creations to audiences, and it is essential to uphold the availability of diverse service providers for consumers. Our in-depth investigation confirmed that a large number of companies will continue to offer their distribution services to European music labels and artists. By requiring the divestment of Curve, we are taking a decisive step to protect sensitive data and prevent it from being controlled by a large competitor. Today's decision reflects the Commission's dedication to promoting fair competition and supporting a thriving and diverse music landscape in Europe."*  
Valdis Dombrovskis, Commissioner for Economy and Productivity; Implementation and Simplification

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