

DETERMINATION OF MERGER NOTIFICATION M/25/021 – ASSUREDPARTNERS/CITY FINANCIAL MARKETING GROUP

Section 21 of the Competition Act 2002

Proposed acquisition by AssuredPartners AP Ireland Limited of sole control of City Financial Marketing Group Limited

Dated: 23 April 2025

Introduction

1. On 12 March 2025, in accordance with section 18(1)(a) of the Competition Act 2002, as amended (the “Act”), the Competition and Consumer Protection Commission (the “Commission”) received a notification of a proposed acquisition whereby AssuredPartners AP Ireland Limited (“API”) would acquire the entire issued share capital, and thus sole control, of City Financial Marketing Group Limited (“CFM”) (the “Proposed Transaction”).¹

The Proposed Transaction

2. The Proposed Transaction is to be implemented by way of a share purchase agreement dated 24 February 2025 between API and the shareholders of CFM (i.e., Jonathan Hehir and Joyce Kelly) (together “the Sellers”) (the “SPA”). Pursuant to the SPA, API will acquire the entire issued share capital, and thus sole control, of CFM from the Sellers.

The Undertakings Involved

The Acquirer – API

3. API is a subsidiary of AssuredPartners Capital, Inc. (“AP”), an insurance brokerage firm active in both personal and commercial lines² operating in the United States, United Kingdom and in the State. In 2022, AP acquired Gallivan Murphy Insurance Brokers (“GMIB”), an insurance

¹ API and CFM are referred to collectively in this determination as the “Parties”.

² The term “line” is used in insurance to describe a class or product category of insurance.

brokerage based in Killarney, Co. Kerry.³ AP's principal activities in the State are through GMIB and some smaller insurance practices it has acquired in the interim period.

4. AP is currently jointly controlled by GTCR LLC and Apax Partners LLP. Arthur J. Gallagher & Co. ("AJG") is in the process of acquiring AP at the date of this determination (the "AJG Acquisition").⁴ AJG is a global insurance brokerage, risk management and consulting services firm, headquartered in Illinois and listed on the New York Stock Exchange. AJG's business has three main business segments: brokerage, risk management and corporate. The brokerage segment includes brokerage and consulting services to businesses and, to a lesser extent, individuals, in the areas of insurance placement, risk of loss management, and the management of employer sponsored benefit programmes.
5. For the financial year ending 31 December 2023, AP's worldwide turnover was approximately € [REDACTED], of which approximately € [REDACTED] was generated in the State.

The Target – CFM

6. CFM is an Irish-incorporated insurance brokerage business headquartered in Dublin with an additional office in Cavan. CFM focuses predominantly on the distribution of non-life personal and commercial insurance products via the following websites: insuremyvan.ie; misquote.ie, insuremyhouse.ie; insuremyholiday.ie; insuremycars.ie; insuremyshop.ie; lifebroker.ie; and coverinaclick.ie.
7. For the financial year ending 30 September 2023, CFM's worldwide turnover was approximately € [REDACTED], [REDACTED] was generated in the State.

Rationale for the Proposed Transaction

8. The Parties state the following in the merger notification form (the "Merger Notification Form"):

"The Proposed Transaction forms part of AP's growth strategy by acquiring a complementary platform to its existing business in Ireland.

*From the Sellers' perspective, the Proposed Transaction represents an attractive opportunity to realise a return on their investment in CFM."*⁵

³ The Commission's determination in M/22/021 – AssuredPartners Ireland/Gallivan Murphy Insurance Brokers can be found [here](#).

⁴ The Commission determined in M/25/002 AJ Gallagher & Co / AssuredPartners that this transaction may be put into effect. The published determination can be found [here](#).

[REDACTED]. For completeness, the Parties have provided market estimates and data with reference to AP, AJG and CFM.

⁵ See paragraphs 6 and 7 of the Merger Notification Form.

Third-Party Submissions

9. No third-party submissions were received.

Industry Background

10. There are different levels in the supply of insurance products, including:

- Insurance underwriting: this involves the assessment of insurable risk and the production of insurance products by insurance companies;
- Insurance distribution: this refers to the retail distribution of insurance products to private and commercial customers; and
- Wholesale insurance distribution: this refers to the level between insurance underwriting and insurance distribution, where wholesale brokers who have access to speciality insurance products connect with retail agents and brokers. As part of this level, companies may operate as a wholesale insurance broker⁶ or a Managing General Agent (“MGA”).⁷

11. As noted in the Commission’s determination in *M/24/003 - AON/NFP*, there is a general distinction between the distribution of life insurance and non-life insurance products.⁸

Competitive Analysis

Horizontal Overlap

12. The Parties state in the Merger Notification Form that there is a horizontal overlap in the distribution of non-life insurance products in Ireland, and that there is a potential horizontal overlap in the distribution of life insurance products between AJG and CFM. The Parties submit that there is no horizontal overlap in the wholesale distribution of non-life insurance products as CFM is not an MGA nor does it provide any other form of wholesale services.

13. The Commission considers that there is a horizontal overlap between the Parties in the State in respect of the distribution of non-life insurance products (intermediary services)⁹. This overlap

⁶ Wholesale insurance brokers operate under agreements with insurance companies to distribute insurance products to insurance brokers operating at the retail level. The wholesaler does not become the insurer and does not accept risk at any point.

⁷ MGAs differ from wholesale insurance brokers as they can finalise an insurance policy on behalf of the insurance carriers that they are partnered with.

⁸ The Commission’s determination in *M/24/003 - AON/NFP* can be found [here](#).

⁹ Intermediary services refers to services which facilitate the sale and distribution of non-life insurance products, including insurance brokers and insurance agents.

can be further segmented by the distribution of non-life insurance products segmented by (i) risk insured (i.e., property insurance, employers' liability, public liability, private car and van insurance) and (ii) customer type (i.e., commercial or personal). There is also a potential horizontal overlap between the Parties in the State in the distribution of life insurance products.

Vertical Relationships

14. There is a vertical relationship between the Parties in the State in that O'Callaghan Insurance, a subsidiary of API, provides MGA services to CFM.
15. The Parties have informed the Commission that, subject to the completion of the AJG Acquisition there will be a further vertical relationship between the Parties due to Wrightway Underwriting Limited, a subsidiary of AJG, providing MGA services to CFM.

Relevant Markets

Relevant Product Markets

Parties' Views

16. The Parties state in the Merger Notification Form that the decisional practice of both the European Commission ("EC") and the Commission takes the following approach on product market definition:
 - There is a distinction between the distribution of life and non-life insurance products; and
 - It may be appropriate to further segment the distribution of life and non-life insurance products by customer type (i.e., commercial or personal) or the type of risk insured.

Precedent

17. In its determination in *M/17/010 - Liberty/Ironshore*, the Commission followed the approach taken by the EC in considering separate potential product markets for the distribution of life insurance products and non-life insurance products.¹⁰

¹⁰ The Commission's determination in *M/17/010 - Liberty/Ironshore* can be found [here](#).

18. In its merger determinations in *M/22/042 - Arachas/Glennon*¹¹ and *M/21/034 - Arachas/Hooper Dolan*,¹² the Commission analysed the competitive impact of those transactions in the following potential product markets:
- the wholesale distribution of non-life insurance products;
 - the distribution of non-life insurance products (intermediary services); and,
 - the distribution of non-life insurance products by risk insured (i.e., property, employers' liability, public liability, private car and van) and customer type (i.e., commercial or personal).
19. In its merger determination in *M/24/003 - Aon/NFP*,¹³ the Commission considered the distribution of life insurance products to be segmented by product type (i.e., pure protection products, pension products, and savings and investment products) in the State. The Parties state in the Merger Notification Form that the horizontal overlap between the Parties in the distribution of life insurance products is negligible and, therefore, they have provided information by reference to the broader potential product market for the distribution of all types of life insurance products in the State.
20. In its merger determinations in *M/24/003 - Aon/NFP*¹⁴ and *M/21/034 - Arachas/Hooper Dolan*,¹⁵ the Commission considered the vertical relationships between the parties in the upstream potential market for the wholesale distribution of non-life insurance products and the downstream potential market for the distribution of non-life insurance products as segmented by type of risk insured and customer type.

Commission's view on relevant product markets

21. The Commission defines markets to the extent necessary depending on the particular circumstances of a given case. In this instance, it is not necessary for the Commission to define precise relevant product markets, as doing so will not alter the Commission's assessment of the likely competitive impact of the Proposed Transaction. The Commission sees no reason to depart from the decisional practice of the EC and previous Commission merger determinations. Therefore, for the purpose of its horizontal competitive effects analysis, the Commission has

¹¹ The Commission's determination in *M/22/042 - Arachas/Glennon* can be found [here](#).

¹² The Commission's determination in *M/21/034 - Arachas/Hooper Dolan* can be found [here](#).

¹³ The Commission's determination in *M/24/003 - AON/NFP* can be found [here](#).

¹⁴ See paragraphs 45-47 of the Commission's determination in *M/24/003 - Aon/NFP* which can be found [here](#).

¹⁵ See paragraphs 34-37 of the Commission's determination in *M/21/034 - Arachas/Hooper Dolan* which can be found [here](#).

analysed the competitive impacts of the Proposed Transaction in the following potential product markets:

- the distribution of non-life insurance products (intermediary services);
 - the distribution of life insurance products;¹⁶ and
 - the distribution of non-life insurance products by type of risk insured (i.e., motor, home, property and casualty, and liability) and customer type (i.e. commercial or personal).
22. For the purpose of its vertical competitive effects analysis, the Commission has followed the approach set out in *M/24/003 Aon/NFP* and *M/21/034 Arachas/Hooper Dolan* and assessed the impact of the Proposed Transaction in the upstream potential market for the wholesale distribution of non-life insurance products¹⁷ and the downstream potential market for the distribution of non-life insurance products by type of risk insured and customer type.

Relevant Geographic Market

23. The Parties submit that the Commission has consistently analysed each of the relevant product markets on a national basis. The Parties submit that the Commission has assessed the distribution of non-life insurance products (intermediary services) and the distribution of non-life insurance products by type of risk insured and customer type by reference to the State.¹⁸ The Parties note that for the distribution of life insurance products the Commission has analysed the relevant product market by reference to the State.¹⁹
24. In this instance, it is not necessary for the Commission to define the precise relevant geographic markets, as doing so will not alter the Commission's assessment of the competitive impact of the Proposed Transaction. Accordingly, the Commission sees no reason to depart from its own decisional practice and has assessed the competitive impact of the Proposed Transaction in all of the relevant potential product markets listed in paragraph 21 in the State.

¹⁶ Due to the *de minimis* horizontal overlap between the Parties for the distribution of life insurance in the State, the Commission has decided to analyse this market at a broader level, as segmenting the product market further would not alter the Commission's assessment of the likely competitive impact of the Proposed Transaction.

¹⁷ The wholesale distribution of non-life insurance products includes managing general agents, underwriting agents and other insurance brokers with divisions dedicated to wholesale brokering.

¹⁸ Please see the Commission's determination in *M/22/042 – Arachas/Glennon* [here](#). Please see the Commission's determination in *M/21/034 – Arachas/Hooper Dolan* [here](#).

¹⁹ The Commission's determination in *M/24/003 - AON/NFP* can be found [here](#).

Conclusion on Relevant Markets

25. For the purposes of its horizontal competitive effects analysis, the Commission has assessed the Proposed Transaction by reference to the following potential relevant markets:

- the distribution of non-life insurance products (intermediary services) in the State;
- the distribution of life insurance products in the State; and
- the distribution of non-life insurance products by type of risk insured (i.e., motor, home, property and casualty, and liability) and customer type (i.e., commercial or personal) in the State.

26. For the purposes of its vertical competitive effects analysis, the Commission has assessed the Proposed Transaction by reference to the following potential relevant markets:

- Potential upstream market: the wholesale distribution of non-life insurance products in the State; and
- Potential downstream market: the distribution of non-life insurance products as segmented by type of risk insured (i.e., motor, home, property and casualty, and liability) and customer type (i.e., commercial or personal) in the State.

Competitive Assessment

Horizontal Competitive Effects

The distribution of non-life insurance products (intermediary services) in the State

27. The Parties provided share estimates in the potential market for the distribution of non-life insurance products in the State (intermediary services) for 2024 (see Table 1 below).

Table 1: The distribution of non-life insurance products (intermediary services) in the State, 2024

Supplier	GWP (€ millions)	Shares
API	■	[0-5]%
AJG	■	[5-10]%
CFM	■	[0-5]%

Combined²⁰			[10-15]%
Others			[85-90]%
TOTAL		2703	100%

Source: Parties' GWP data;²¹ Insurance Ireland; Parties' estimates.

28. As can be seen in Table 1 above, the merged entity will have a [10-15]% share in the distribution of non-life insurance products (intermediary services) in the State following implementation of the Proposed Transaction. The increment in the merged entity's share is only [0-5].²²
29. The Parties state in the Merger Notification Form that a number of competitors will continue to exert a competitive constraint on the merged entity in the distribution of non-life insurance products (intermediary services) in the State following completion of the Proposed Transaction, including Willis Towers Watson Insurances (Ireland) Limited, Marsh Ireland Limited, Lockton Insurance Brokers (Ireland) Limited, Howden Insurance (Ireland) Limited, Arachas Corporate Brokers Limited, Brown & Brown Insurance Brokers (Ireland) Limited, Campion Insurances Limited, Crotty Insurance Brokers Limited, Dooley Insurances Limited and Charles McCarthy Insurances Ltd. t/a McCarthy Insurance Group.
30. Based on the estimated market shares and the number of competitors in the potential relevant market, the Commission considers that the Proposed Transaction raises no horizontal competition concerns in the potential market for the distribution of non-life insurance products (intermediary services) in the State.

The distribution of life insurance products in the State

31. There is a horizontal overlap between CFM and AJG in the distribution of life insurance products in the State. The Commission notes that CFM's presence in the distribution of life insurance products in the State is negligible amounting to approximately € [REDACTED] on a GWP/GPI²³ basis in 2024 ([REDACTED]). The Parties state in the Merger Notification Form that the total size of the life insurance sector (in GWP/GPI terms) in the State was

²⁰ The combined market shares provided for by the Parties include AJG's estimated market shares due to the fact that AJG is in the process of acquiring AP. Therefore, should AJG acquire AP, AJG's market shares will form part of the combined market shares.

²¹ GWP means gross written premium, this is the amount of premiums an insurance company receives from all policies issued within a given period before any deductions for reinsurance and other adjustments.

²² The combined market share estimates refer to the combined market shares of AJG, AP, and CFM should the Proposed Transaction and the acquisition of AP by AJG be completed.

²³ GWP means gross written premium; this is the amount of premiums an insurance company receives from all policies issued within a given period before any deductions for reinsurance and other adjustments. GPI means gross premium income; this is the amount of premiums an insurance company receives from policyholders before any deductions for reinsurance, commissions, or other expenses. It is a measure of the total revenue generated from the sale of insurance policies.

approximately €17,139 million in 2024.²⁴ Therefore, based on these estimates CFM's share in the distribution of life insurance products in the State was less than [0-5]% in 2024.

32. The Parties stated in response to queries raised by the Commission that there are many distributors of life insurance products currently active in the State, including Acorn Life DAC, Allianz Global Life DAC, Athora Ireland plc, Aviva Life & Pensions Ireland DAC, AXA Life Europe DAC, New Ireland Assurance Company plc, Irish Life Assurance plc and Zurich Life Assurance plc. The Parties also state in the Merger Notification Form that, according to data compiled by Brokers Ireland, the distribution of life insurance products in the State is fragmented with over 90 brokers active in life insurance distribution in the State.²⁵
33. Based on the above information, the Commission considers that no horizontal competition concerns are likely to arise in the potential market for the distribution of life insurance products in the State.

The distribution of non-life insurance products as segmented by risk insured (i.e., motor, home, property and casualty, and liability) and customer type (i.e., commercial and personal) in the State.

34. The Parties provided share estimates in the potential market for the distribution of non-life insurance products as segmented by risk insured (i.e. motor, home, property and casualty, and liability) and customer type (i.e., commercial and personal) in the State for 2024 (see Table 2 below).

Table 2: The distribution of non-life insurance as segmented by type of risk insured and customer type in the State, 2024

Supplier	Personal: Motor		Personal: Home		Commercial: Motor		Commercial: P&C ²⁶		Commercial: Liability	
	GWP (€m)	%	GW P (€m)	%	GWP (€m)	%	GWP (€m)	%	GWP (€m)	%

²⁴ Based on Insurance Ireland data.

²⁵ A list compiled by Brokers Ireland is available [here](#).

²⁶ P&C is an acronym used in insurance to represent property and casualty insurance.

API	■	[5-10]%	■	[0-5]%	■	[0-5]%	■	[5-10]%	■	[0-5]%
AJG	■	[0-5]%	■	[0-5]%	■	[5-10]%	■	[0-5]%	■	[10-15]%
CFM	■	[5-10]%	■	[0-5]%	■	[0-5]%	■	[0-5]%	■	[0-5]%
Combined	■	[10-15]%	■	[5-10]%	■	[10-15]%	■	[10-15]%	■	[10-15]%
Others	■	[80-85]%	■	[90-95]%	■	[85-90]%	■	[95-90]%	■	[85-90]%
TOTAL	853.5	100%	353.5	100%	328.2	100%	371.3	100%	572	100%

Source: Parties' GWP data; Insurance Ireland; Parties' estimates.

35. The Commission considers that the Proposed Transaction raises no horizontal competition concerns in the potential market for the distribution of non-life insurance products as segmented by risk insured (i.e., motor, home, property and casualty, and liability) and customer type (i.e., commercial and personal) in the State for the following reasons:
36. First, following the implementation of the Proposed Transaction, the merged entity would have a share no larger than [15-20]% in any of these five potential market segments and the increment in share is no greater than [5-10]%.
37. Second, as the Parties state in the Merger Notification Form, the five potential market segments are highly fragmented, with several large competitors, as well as mid-sized and small brokers. Many competitors will continue to exert a competitive constraint on the merged entity in the distribution of non-life insurance products in the State following completion of the Proposed Transaction, including Allianz plc, Aviva Ireland Insurance DAC, Aon plc, Willis Towers Watson

Insurances (Ireland) Limited, Marsh Ireland Limited, Lockton Insurance Brokers (Ireland) Limited, Howden Insurance (Ireland) Limited, FBD Insurance plc, Kingfisher Insurance DAC, Arachas Corporate Brokers Limited, Brown & Brown Insurance Brokers (Ireland) Limited, Campion Insurances Limited, Crotty Insurance Brokers Limited, Dooley Insurances Limited and Charles McCarthy Insurances Ltd. t/a McCarthy Insurance Group.

38. Based on the above information, the Commission considers that no horizontal competition concerns are likely to arise in the potential market for the distribution of non-life insurance products as segmented by type of risk insured (i.e., personal motor, personal home, commercial motor, commercial property and casualty, and commercial liability) and customer type (i.e., commercial and personal) in the State.

Conclusion on horizontal effects

39. For the reasons outlined above, the Commission considers that the Proposed Transaction does not raise any horizontal competition concerns in the State.

Vertical Relationship

40. There is a minimal vertical relationship between the Parties in the State in relation to the provision of MGA services, which is part of the wholesale distribution of non-life insurance products in the State. As noted above, O'Callaghan Insurance, a subsidiary of API, provides MGA services to CFM. The total value of the premiums provided was approximately € [REDACTED] in GWP in 2024.

41. There is also a vertical relationship between AJG and CFM in the State. Wrightway Underwriting Limited, a subsidiary of AJG, provides MGA services to CFM in the State. The total value of the premiums provided was approximately € [REDACTED] in GWP in 2024.

42. The Commission considers that the Proposed Transaction is unlikely to give rise to vertical foreclosure concerns in relation to the wholesale distribution of non-life insurance products in the State for the following reasons:

Input foreclosure

43. The Commission considers that there is no prospect of the merged entity having the ability to engage in an input foreclosure strategy following the completion of the Proposed Transaction. The Parties state in the Merger Notification Form that the combined share of API and AJG in the

wholesale distribution of non-life insurance products in the State is approximately [5-10]%,²⁷ and CFM is not active in this potential market. Following completion of the Proposed Transaction, downstream competitors of CFM active in the distribution of non-life insurance products in the State will continue to have many wholesale distributors of non-life insurance products from which to choose. These include RSA Insurance Ireland DAC, Aon plc., Allied World Assurance Company (Europe) DAC, Zurich Life Assurance plc, Aviva Insurance Ireland DAC, Axa Insurance DAC, KennCo Underwriting Limited, and Arachas Corporate Brokers Limited, all of whom are active in the wholesale distribution of non-life insurance products in the State.

44. Based on the above analysis, the Commission considers that no input foreclosure concerns are likely to arise following the completion of the Proposed Transaction.

Customer Foreclosure

45. The Commission considers that there is no prospect of the merged entity having the ability to engage in a customer foreclosure strategy following the completion of the Proposed Transaction. The Parties informed the Commission that CFM's expenditure on MGA services is [REDACTED]. Furthermore, as shown in Table 2 above, the merged entity will have a share no greater than [15-20]% in any of the five potential market segments for the wholesale distribution of non-life insurance products in the State. As detailed above, the merged entity will continue to face a competitive constraint from many wholesale distributors of non-life insurance products in the State across each of the five potential narrow markets.
46. Based on the above information, the Commission considers that no customer foreclosure concerns are likely to arise following the completion of the Proposed Transaction.

Conclusion on vertical relationship

47. For the reasons outlined above, the Commission considers that the Proposed Transaction does not raise any vertical competition concerns in the State.

Conclusion of Competitive Assessment

48. In light of the above, the Commission considers that the Proposed Transaction will not substantially lessen competition in any market for goods or services in the State.

²⁷ Using Insurance Ireland data, the Parties estimate that the total size of the potential market for the wholesale distribution of non-life insurance in the State was approximately €504 million on a GWP basis in 2024. API's sales in this potential market were approximately €[REDACTED] on a GWP basis in 2024, while AJG's sales were approximately €[REDACTED] on a GWP basis for the same year.

Ancillary Restraints

49. No ancillary restraints were notified.

Determination

The Competition and Consumer Protection Commission, in accordance with section 21(2)(a) of the Competition Act 2002, as amended, has determined that, in its opinion, the result of the proposed acquisition whereby AssuredPartners AP Ireland Limited would acquire the entire issued share capital, and thus sole control, of City Financial Marketing Group Limited will not be to substantially lessen competition in any market for goods or services in the State, and, accordingly, that the acquisition may be put into effect.

For the Competition and Consumer Protection Commission.

Úna Butler

Member

Competition and Consumer Protection Commission