EU approves Microsoft’s $7.5 billion Bethesda acquisition



The European Commission has approved Microsoft’s $7.5 billion deal to acquire ZeniMax Media, the parent company of *Doom* and *Fallout* studio Bethesda Softworks. Microsoft’s deal has been approved by the EU without conditions, as it “does not raise serious doubts as to its compatibility with the common market.” The acquisition required EU approval before Microsoft could finalize the Bethesda deal and bring future games to its Xbox Game Pass subscription.

“The Commission concluded that the proposed acquisition would raise no competition concerns, given the combined entity’s limited market position upstream and the presence of strong downstream competitors in the distribution of video games,” says a European Commission statement. “The transaction was examined under the normal merger review procedure.”

Once the deal is fully closed, Microsoft’s list of first-party studios will jump to 23, following the addition of Bethesda sub-studios like *Dishonored* developer Arkane, *Wolfenstein* studio MachineGames, *Doom* maker id Software, and *The Evil*

Within studio Tango Gameworks. Microsoft appears to be planning to keep Bethesda running separately, with its existing leadership. That approach seems to have worked for Mojang, LinkedIn, and GitHub, which have all continued to run separately after Microsoft acquired them.

Microsoft originally announced its plans to acquire Bethesda in September, promising to honor PS5 exclusivity commitments for *Deathloop* and *GhostWire: Tokyo*. Games like *The Elder Scrolls: Online* will also "continue to be supported exactly as it was."

How Microsoft handles future Bethesda titles will come down to a "case-by-case" basis, according to comments from Microsoft's gaming chief Phil Spencer in September. It's still not clear how Microsoft plans to handle the upcoming space epic *Starfield*.

Microsoft might not even have to launch future Bethesda games exclusively on Xbox. Just having them on day one on Xbox Game Pass might be a big enough draw in itself for players to subscribe. Xbox gaming chief Phil Spencer has also questioned the viability of exclusivity deals for games recently, and Microsoft's plans for Xbox are very much centered on Xbox Game Pass and xCloud game streaming reaching millions more people.

In fact, Microsoft is reportedly planning to outline its plans for Xbox later this month. A "future of gaming" event is rumored to take place on March 23rd, and it could be an ideal opportunity for Microsoft to discuss the future of Bethesda, xCloud on iOS, and its plans for Xbox Game Pass.

Update, March 8th 6:40AM ET: *Article updated with full statement from the European Commission.*

https://www.theverge.com/2021/3/8/22315104/microsoft-bethesda-acquisition-eu-approval-deal