Anticipated acquisition by eBay Inc. of Depop Limited

Decision on relevant merger situation and substantial lessening of competition

ME/7149/26

The CMA's decision on reference under section 33 of the Enterprise Act 2002 given on 15 July 2026. Full text of the decision published on 17 July 2026.

Please note that [✂] indicates confidential information which has been excluded from this published version of the decision. Some numbers have been replaced by a range, which are shown in square brackets.

1. OVERVIEW OF THE CMA'S DECISION

1. The Competition and Markets Authority (**CMA**) considered whether the acquisition by eBay Inc. (**eBay**) of Depop Limited (**Depop**) from Etsy, Inc. (**Etsy**) (the **Merger**) would lead to a substantial lessening of competition (**SLC**) as a result of horizontal unilateral effects in the provision of C2C online marketplaces for apparel in the UK.[1]

2. The CMA found no concerns on this theory of harm. The CMA found that, against the backdrop of Depop's declining market position and the decision by Etsy/Depop, made prior to the contemplation of the Merger, to materially reduce the investment in Depop's UK activities, the Merged Entity would continue to be constrained by a range of competitors, including a particularly strong leading competitor. Accordingly, the Merger does not give rise to a realistic prospect of an SLC as a result of horizontal unilateral effects.

3. The Merger will therefore **not be referred** under section 33 of the Enterprise Act 2002 (the **Act**).

[1] eBay and Depop are together referred to as the **Parties** and, for statements relating to the future, the **Merged Entity**.

2. THE PARTIES AND THE TRANSACTION

4. On 15 February 2026, eBay agreed to acquire Depop from Etsy. eBay facilitates business-to-consumer (**B2C**) and consumer-to-consumer (**C2C**) sales through its ecommerce platforms, including its UK online marketplace, eBay.co.uk. Depop operates an online C2C marketplace primarily for apparel recommerce.[2] The Parties therefore overlap in the UK in the provision of C2C online marketplaces for apparel.

3. JURISDICTION

5. The CMA believes that it is or may be the case that arrangements are in progress or in contemplation which, if carried into effect, will result in the creation of a relevant merger situation. Each of eBay and Depop is an enterprise, these enterprises will cease to be distinct as a result of the Merger and the share of supply test is met.[3, 4]

4. COUNTERFACTUAL AND MARKET DEFINITION

6. The CMA has assessed the impact of the Merger against the prevailing conditions of competition.[5] The CMA also considered a potential counterfactual scenario where eBay would have introduced [✂] into the UK, and whether this could have led to eBay competing more closely with Depop.[6] Following a review of eBay's internal documents, the CMA concluded that [✂] entry into the UK absent the Merger did not represent a realistic counterfactual.[7]

7. In light of the Parties' overlap, the CMA took as a starting point for its assessment the narrowest plausible market definition, namely online C2C marketplaces for apparel in the UK. The CMA did not consider it appropriate to widen this to online C2C generalist marketplace services in the UK,[8] as almost all transactions on Depop's platform in the UK relate to apparel and the CMA has not received

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[2] Less than [5-10]% of Depop's UK GMV in 2025 related to non-apparel items. Final Merger Notice submitted to the CMA on 3 June 2026 (**FMN**), paragraph 3.5.

[3] The Act, section 23. eBay has a UK turnover exceeding £10 million, and the Merger would result in the Merged Entity having a share of supply of 25% or more in the supply of online C2C marketplaces (ie not limited to apparel) in 2025 in the UK (FMN, Table 13.1). Given the focus of Depop's business, the Parties primarily overlap in the supply of apparel on online C2C marketplaces, with apparel being a subset of all goods sold on online C2C marketplaces in the UK or a substantial part of it.

[4] The CMA commenced it phase 1 investigation on 9 June 2026 after the CMA's mergers intelligence function identified the Merger as warranting an investigation. The Parties informed the CMA that the Merger was also the subject of review by the competition authorities in Australia, Germany, Ukraine, and the US (FMN, paragraph 2.17).

[5] CMA's Merger Assessment Guidelines (**CMA129**), March 2021, section 3.

[6] [✂] is an online [✂] marketplace [✂] not currently active in the UK (Parties' response to the CMA's Request for Information, 14 May 2026 (**RFI 2**), paragraphs 1.1–1.2).

[7] In particular, eBay's internal documents [✂]. For example, eBay Internal Documents, Annex 3.4 to RFI 2, '[✂]', June 2025, page 19; and Annex 3.2 to RFI 2, '[✂]', September 2025, pages 3 and 21.

[8] The Parties submitted that the appropriate market definition comprises of all online C2C generalist marketplace services in the UK, including sites that offer classified advertising services (FMN, paragraphs 11.1–11.6). In this regard, the Parties referred to the CMA's findings in the Anticipated acquisition by Adevinta ASA of eBay Classifieds Group from eBay Inc., and eBay Inc.'s acquisition of a minority stake in Adevinta ASA [ME/6897/20] (**Adevinta/eCG**). In that decision, the CMA assessed a market for online generalist classified advertising services and C2C online marketplaces in the UK (paragraphs 133 and 137).

evidence that Depop has plans to expand its activities in non-apparel categories.[9] For similar reasons, the CMA has not widened the product market to include B2C listings of online marketplaces, given Depop's limited presence in B2C.[10]

8. The CMA has excluded high-value sneakers and luxury handbags from the product market, as the Parties do not overlap to any significant extent in relation to these categories.[11] Further, consistent with the CMA's approach in *Adevinta/eCG*,[12] the CMA considers it appropriate to include classified advertising platforms in the product market. As discussed further in the competitive assessment below, although there are differences between classified advertising platforms and C2C online marketplaces, the evidence indicates that they exert a competitive constraint on each other.

9. In any event, it has not been necessary for the CMA to conclude on the precise definition of the product market, as no competition concerns arise on any plausible basis.

5. COMPETITIVE ASSESSMENT

10. In view of the Parties' overlap and the market definition considerations discussed above, the CMA's investigation focussed on horizontal unilateral effects in the supply of C2C online marketplaces for apparel in the UK.

5.1 Horizontal unilateral effects in the supply of C2C online marketplaces for apparel in the UK

11. The CMA found that the Merger would not give rise to a realistic prospect of an SLC as a result of horizontal unilateral effects in the supply of C2C online marketplaces for apparel in the UK.

12. The CMA received shares of supply estimates from the Parties and third parties based on the gross merchandise value (**GMV**) of all paid transactions by sellers located in the UK and covering the period 2021 to 2025. Table 1 presents the estimates for 2021 and 2025. On the basis of the 2025 estimates, post-Merger the Parties would have a combined share of supply of [10-20]%, with a [0-5]% increment brought about by the Merger. The share estimates indicate that the market is concentrated with four large suppliers and a tail of smaller suppliers.

[9] Depop's internal documents primarily track the fashion resale or apparel segment (for example, Depop Internal Documents, Annex DEP-00000036 to the FMN, '[✂]', June 2025, page 4; and Annex DEP-00000056 to the FMN, '[✂]', March 2025, page 30). Depop's internal documents also indicated that Depop decided in [✂] (for example, Depop Internal Document, Annex DEP-00000028 to the FMN, '[✂]', August 2025, page 191).
[10] A very small percentage (less than [0-5]%) of Depop's UK sellers self-certified that they are 'companies' (FMN, paragraph 3.7).
[11] Depop does not offer authentication services and does not track sales for luxury handbags or high-value sneakers separately, reflecting the very limited presence of luxury apparel items on its platform (Parties' response to the CMA's RFI 2, paragraph 5.2). This is consistent with third-party evidence indicating that consumers looking to buy or sell such items are unlikely to consider using C2C online marketplace services that do not cater to them, due to a lack of trust and authentication features (Note of a call with a third party, May 2026, paragraphs 25–29).
[12] Adevinta/eCG, paragraph 133.

Vinted is the largest competitor, followed by eBay, the Facebook Marketplace platform (**FBMP**), and Depop.

Table 1: Shares of supply in C2C online apparel marketplaces in the UK, by GMV

Marketplaces	*2021*	*2025*
eBay	[30-40]%	[10-20]%
Depop	[10-20]%	[0-5]%
Combined	**[40-50]%**	**[10-20]%**
Vinted	[5-10]%	[50-60]%
FBMP	[10-20]%	[5-10]%
Others	[20-30]%	[10-20]%

Source: Data submitted by the Parties in the FMN, Table 13.2. These estimates appear broadly consistent with data on GMV received from competitors where available. Third-party responses to the CMA's Requests for Information, May 2026.

Notes: The underlying eBay GMV data for 2021 does not include GMV attributable to "everyday" sneakers and handbags, as it was not possible at that time to distinguish these from high-value sneakers and luxury handbags, given that eBay's Authenticity Guarantee (which is used to identify premium or high-value sneakers and handbags) was not yet in place.

13. Given the differentiated nature of market participants' offerings,[13] the CMA placed limited weight on static shares of supply in assessing closeness of competition between the Parties and the strength of constraints from alternative suppliers.[14] However, the CMA considers that the share of supply decline of both Parties in the period 2021 to 2025 is indicative of their competitive strength weakening over time, with Depop's share in particular falling from [10-20]% to [0-5]%, as shown in Table 1. Further, there is evidence, pre-dating the contemplation of the Merger, that Etsy/Depop had made a decision [✂] to materially reduce the investment in Depop's UK activities going forward.[15] Accordingly, the CMA considers that Depop is likely to exert a materially weaker constraint on eBay than its 2025 share of supply might suggest.

14. Furthermore, the CMA has also found other evidence that the Parties do not compete particularly closely with each other. The CMA has received evidence of significant differences in the Parties' user bases, particularly by age, with eBay attracting a relatively older demographic and Depop a relatively younger one.[16, 17]

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[13] Differentiation arises from variations in platform design and functionality that shape how users engage with each platform, including the fee structure, the ease and mechanics of listing and transacting, the availability of integrated services, and the extent of user engagement tools and protections (Note of a call with a third party, May 2026, paragraphs 3, 7–9, 13–14, 19–20, 24–26, 33–38, 41–43; Note of a call with a third party, May 2026, paragraphs 2, 5, 7–11, 19–23; Note of a call with a third party, May 2026, paragraphs 8, 12–14, 17–24, 33, 36; Note of a call with a third party, April 2026, paragraphs 3–4, 12, 15–18, 24–25, 33, 38; Note of a call with a third party, May 2026, paragraphs 2–3, 11–12, 16–17, 20–22, 26, 35; Note of a call with a third party, June 2026, paragraphs 2, 6–9, 11–14; Third-party response to the CMA's Request for Information, May 2026, responses to Q9, Q12; Third-party response to the CMA competitor questionnaire, responses to Q3–5).

[14] CMA129, paragraph 4.15.

[15] Depop's internal documents indicate that Etsy and Depop had been internally considering since at least mid-2024 whether they should maintain their investment in the Depop UK business, including due to the rise of Vinted in the UK. For example, see Depop Internal Documents, Annex DEP-00000115 to the FMN, '[✂]', page 23; and Annex DEP-00000143 to the FMN, '[✂]', July 2024, page 21. Depop subsequently and independently decided in [✂]. See Depop Internal Document, Annex DEP-00000028 to the FMN, '[✂]', August 2025, page 191.
Specifically, Depop decided [✂]. See Depop Internal Document, Annex DEP-00000132 to the FMN, '[✂]', pages 14–15.

[16] For instance, the Parties provided analysis showing that [60-70]% and [50-60]% of eBay's apparel buyers and sellers, respectively, were aged over [✂] in 2025 in the US (as users' age data is not recorded by eBay in the ordinary course in the UK), compared with only around [5-10]% for both buyers and sellers on Depop in the UK (Parties' response to the CMA's Request for Information, 22 May 2026 (**RFI 3**), paragraphs 5.17–5.19).

[17] The Parties' marketplaces also differ in terms of user experience, with Depop offering a user journey focused on discovery and style, whereas eBay operating a search-based, intent-driven model (FMN, paragraph 14.6; Third-party response to the CMA's RFI, May 2026, response to Q9).

This is consistent with the evidence indicating that there is limited overlap in buyers and sellers of apparel across the Parties' platforms,[18] as well as limited switching by users between them.[19] Whilst the Parties' internal documents show they monitor each other, they do so alongside other competitors, particularly Vinted as discussed below.[20]

15. In addition, the evidence suggests that two large alternative suppliers, namely Vinted and to a lesser extent FBMP, impose a material constraint on the Parties:

(a) The evidence indicates that Vinted is the market leader and exerts a strong competitive constraint on the Parties. The share of supply estimates set out in Table 1 show that Vinted's share of supply significantly increased from [5-10]% in 2021 to [50-60]% in 2025, with growth in each year over this period.[21] Internal documents also indicate that Vinted is the closest and strongest competitor to the Parties, as it is monitored closely by both of them,[22] including its free-to-sell model and large marketing investments,[23] and the Parties have responded directly to its expansion, for example by removing their own seller fees.[24] Third-party evidence also indicates that Vinted is a close competitor to the Parties[25] and that platforms across the market have adjusted their fee structures in response to its expansion.[26]

(b) The CMA considers that FBMP, one of the four largest players on the basis of shares of supply (see paragraph 12 above), currently exerts a material but more limited competitive constraint than Vinted. Internal documents show that FBMP is monitored by the Parties,[27] although references to FBMP are more limited than those to each other and to Vinted.[28] Several third parties

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[18] Parties' response to the CMA's RFI 3, Tables 2.1 and 2.2; Parties' response to the CMA's Request for Information, 9 June 2026 (**RFI 4**), paragraph 3.4; Annex – RFI 4 – 3.1 to Parties' response to the CMA's RFI 4.
[19] Parties' response to the CMA's RFI 3, Tables 4.1 and 4.2; Parties' response to the CMA's RFI 4, paragraph 3.4; Annex – RFI 4 – 3.1 to Parties' response to the CMA's RFI 4.
[20] See, for example, Depop Internal Documents, Annex DEP-00000083 to the FMN, '[✂]' page 104; and Annex DEP-00000078 to the FMN, '[✂]' page 14; and eBay Internal Documents, Annex EBY-00000032 to the FMN, '[✂]', page 7; and Annex EBY-00000052 to the FMN, '[✂]', page 4.
[21] FMN, Table 13.2. The CMA also requested GMV estimates directly from [✂] to cross-check the Parties' estimates, and while there were notable differences, the CMA considered these differences were not sufficiently material to affect its assessment.
[22] See, for example, Depop Internal Document, Annex DEP-00000056 to the FMN, '[✂]', page 29; and eBay Internal Document Annex 14.2 to the FMN, '[✂]', page 29.
[23] See, for example, eBay Internal Document Annex 14.1 to the FMN, '[✂]'; and Depop Internal Document, Annex DEP-00000017 to the FMN, '[✂]'.
[24] eBay [✂], in response to Vinted's rapid expansion (Parties' response to the CMA's Request for Information, 23 April 2026 (**RFI 1**), paragraph 9.2; and see, for example, eBay Internal Document, Annex EBY-00000052 to the FMN, '[✂]', March 2024, page 4). Similarly, Depop does not charge a selling fee to sellers in the UK for new listings from 20 March 2024 (Parties' response to the CMA's RFI 1, paragraph 9.7). Depop's internal document notes that Vinted in the UK '[✂]' (Depop Internal Document, Annex DEP-00000031 to the FMN, '[✂]', July 2025, page 18).
[25] Third-party response to the CMA's RFI, May 2026, response to Q9; Note of a call with a third party, April 2026, paragraph 37.
[26] Note of a call with a third party, May 2026, paragraph 22.
[27] See, for example, eBay Internal Documents, Annex EBY-00000048 to the FMN, '[✂]', June 2025, page 102; and Annex EBY-00000031 to the FMN, '[✂]', March 2024, page 2; and Depop Internal Document, Annex DEP-00000118 to the CMA's section 109 Notice, 19 May 2026, '[✂]', September 2025, page 13.
[28] See, for example, eBay Internal Document Annex 14.2 to the FMN, '[✂]', page 29; and Depop Internal Documents, Annex DEP-00000073 to the FMN, '[✂]', April 2024, page 19; and Annex DEP-00000028 to the FMN, '[✂]', August 2025, page 41.

identified FBMP as a competitor to the Parties,[29] while one third party noted its ability to leverage its large existing Facebook user base, providing high visibility and ease of use.[30] Unlike the Parties and Vinted, FBMP is currently not a transactional platform in the UK, but instead a classified advertising platform, where transactions take place off-platform.[31] This represents a point of differentiation from the Parties, as indicated by third parties.[32] However, evidence received from the Parties on multi-homing and user switching suggests that FBMP nevertheless attracts a significant number of the same buyers and sellers as the Parties.[33] While a transition to a transactional platform could further strengthen the constraint exercised by FBMP in the future, the extent to which this will occur is uncertain.[34]

16. The CMA considers that other competitors exert a more limited constraint on the Parties. Third-party evidence indicates that a number of other platforms are active in the market,[35] and at least one platform has experienced significant growth in recent years.[36] However, the evidence also indicates that these competitors remain smaller in scale and have business models that differ from the Parties (for example, by focusing on specific segments, such as luxury apparel).[37]

17. Third-party evidence also indicates that network effects represent a material barrier to entry and expansion, as platforms with large user bases are more attractive to both buyers and sellers.[38] However, the ease and prevalence of multihoming and cross-listing,[39] as well as market growth,[40] may partially mitigate these barriers, as illustrated by Vinted's significant growth in recent years.

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[29] Third-party response to the CMA's RFI, May 2026, response to Q9; Note of a call with a third party, May 2026, paragraph 39; Note of a call with a third party, May 2026, paragraph 28; Note of a call with a third party, May 2026, paragraph 12; Third-party response to the CMA competitor questionnaire, response to Q11.
[30] Third-party response to the CMA's RFI, May 2026, response to Q9.
[31] Note of a call with a third party, May 2026, paragraph 2; [✂] (Note of a call with a third party, May 2026, paragraph 22).
[32] Third parties have indicated that the availability of integrated payment and shipping services are a point of differentiation when comparing between marketplaces. Note of a call with a third party, May 2026, paragraph 43; Note of a call with a third party, April 2026, paragraph 3; Note of a call with a third party, June 2026, paragraph 6.
[33] eBay's submission dated 17 June 2026, paragraphs 3.7–3.10; Parties' response to the CMA's RFI 4, paragraph 3.4; Annex – RFI 4 – 3.1 to Parties' response to the CMA's RFI 4.
[34] [✂].
[35] Third-party response to the CMA's RFI, May 2026, response to Q9; Note of a call with a third party, May 2026, paragraph 39; Note of a call with a third party, April 2026, paragraph 37; Note of a call with a third party, June 2026, paragraphs 11–14.
[36] Note of a call with a third party, June 2026, paragraphs 23–24.
[37] Note of a call with a third party, June 2026, paragraph 2; Note of a call with a third party, April 2026, paragraphs 3, 12; Note of a call with a third party, May 2026, paragraphs 2, 9; Third-party response to the CMA competitor questionnaire, responses to Q4-6. The evidence received by the CMA also indicates that each of these competitors have a share of supply of 1% or less (Table 13.2, FMN).
[38] Third-party response to the CMA's RFI, May 2026, response to Q12; Note of a call with a third party, May 2026, paragraphs 15–18; Note of a call with a third party, April 2026, paragraphs 41, 44; Note of a call with a third party, May 2026, paragraph 32; Note of a call with a third party, May 2026, paragraphs 30–32.
[39] Note of a call with a third party, May 2026, paragraphs 28–31; Note of a call with a third party, May 2026, paragraphs 34–37; Note of a call with a third party, May 2026, paragraph 33–36; Note of a call with a third party, April 2026, paragraphs 47–50; Depop Internal Document, Annex DEP-00000008 to the FMN, '[✂]', page 29; eBay Internal Document, Annex EBY-00000026 to the FMN, '[✂]', page 26; Parties' response to the CMA's RFI 4, paragraphs 1.3 and 3.4; and Annex – RFI 4 – 3.1 to Parties' response to the CMA's RFI 4.
[40] For instance, Table 13.2 in the FMN indicates that the market grew by approximately [50-60]% over the period 2021 to 2025. See also eBay Internal Document, Annex 4.4 to the CMA's section 109 Notice, 19 May 2026, '[✂]', January 2025, page 58.

5.2 Third party views on the Merger

18. All third parties responding to the CMA's investigation expressed neutral views about the Merger.[41] Several third parties considered that there was sufficient competitive constraint in the market, while also noting the presence of out of market constraints such as charity resale stores and first-hand purchases.[42]

6. DECISION

19. For the reasons set out above in the Competitive Assessment, the CMA does not believe that it is or may be the case that the Merger may be expected to result in an SLC within a market or markets in the United Kingdom.

20. The Merger will **not be referred** under section 33 of the Act.

Kasia Bojarojc
Director, Mergers
Competition and Markets Authority
15 July 2026

[41] The CMA received one response raising concerns that were not specific to the Merger (Submission to the CMA from a third party, April 2026).

[42] Note of a call with a third party, May 2026, paragraph 40; Note of a call with a third party, May 2026, paragraph 9; Note of a call with a third party, May 2026, paragraphs 40; Third-party response to the CMA competitor questionnaire, response to Q11.