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# Talent Agencies in French Film and Television: A Market Locked by Network Effects

Julie BASCOU

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***Summary:*** *In Opinion 26-A-06 of 1 October 2026, the French Competition Authority (Autorité de la concurrence) examines for the first time the market for talent agents in film and television. Its diagnosis is that the sector is highly concentrated around two agencies, Adéquat/Artmedia and, to a lesser extent, UBBA. This is not because of legal barriers, which were removed between 2010 and 2016. It is due to the economics of a two-sided market: strong indirect network effects create a self-reinforcing loop between talent and producers. Recent developments, including the shift towards big-budget productions driven by streaming platforms and cuts in funding for low- and mid-budget works, may further strengthen this trend.*

A parliamentary inquiry into violence in the film, television, live performance, fashion and advertising sectors does not usually end up before a competition authority. Yet this is what happened here, highlighting that in French film and television, those who control access to actors have a lot of power over everyone else. Opinion 26-A-06 of the French Competition Authority (*"the Opinion"*) shows that, fifteen years after the profession of talent agent was opened to all, the sector remains highly concentrated. The main obstacle to entry is no longer the law, but the way the market operates[1].

Talent agents act under a paid mandate from performing artists to find them work and represent their interests with producers. The licence once required was abolished in 2010, and the registration that replaced it was removed in 2016[2]. Of the rules that still govern the profession, two are of particular relevance here: an agent cannot also be a producer, and the commission cannot exceed 10% of the artist's pay[3]. In practice, mandates are usually oral and presumed exclusive, but artists can leave their agent at any time, and the producer generally pays the commission on the artist's behalf. Despite this formally open framework, the market is dominated by one leading agency group and a second major

[1] Aut. conc., opinion no. 26-A-06 of 1 Oct. 2026 on the competitive situation in the talent representation sector ("the Opinion").

[2] Law n°2010-853 of 23 July 2010; Ord. n°2015-1682 of 17 December 2015; Opinion, § 24 et seq.

[3] Code du travail, articles L.7121-9, L.7121-13 and D.7121-7.

agency, while the remaining firms are generally much smaller.

On 8 April 2025, after publishing its report, a parliamentary commission of inquiry into violence in the cultural sectors asked the Authority for an opinion[4]. The Authority sent questionnaires to agencies, producers, broadcasters, streaming platforms, unions and artists, and heard several of them on 18 June 2026. It issued its opinion on 1 October 2026. As an opinion, it cannot be appealed.

In its referral, the commission of inquiry asked the Authority to assess two measures. The first was a professional certification with stronger training obligations, since included in a private member's bill. The second was strengthening direct access between actors and productions.

The stakeholders heard by the Authority each shed light on a different aspect of the sector, and their accounts largely complement, rather than contradict, the concerns raised by the inquiry. Producers explained that the main agencies are overloaded but impossible to avoid, and that they choose which projects to read. The agents' union argued that the 10% cap works as both a maximum and a minimum, since agencies could not survive below it[5]. Many artists argue they did not really know what their agent does for them, or how much the commission actually costs them.

These observations raise two related questions. Firstly, how can such a high level of concentration persist in a market where legal barriers to entry have been removed? Secondly, what measures could improve competition without further strengthening the position of the leading agencies?

On the first question, the Authority finds that the sector is highly concentrated: the leading agency group represents at least one actor in 85% of French fiction films approved between 2020 and 2024[6]. This causes casting delays, higher production costs and risks of conflicts of interest[7]. The Authority links these problems primarily to the two-sided nature of the market. Agencies representing well-known artists attract more producers, which in turn makes them more attractive to other artists[8]. Other factors make things worse: exclusivity, and the rise of big-budget productions for example[9].

On the second question, the Authority rejects certification, which would make it harder for new agents to enter the market. It also refuses

[4] Code du commerce, article L.462-1.
[5] Opinion, § 52 et seq.
[6] Opinion, § 125.
[7] Opinion, § 127 et seq.
[8] Opinion, § 137 et seq.; J.-C. Rochet and J. Tirole, "Platform Competition in Two-Sided Markets", *Journal of the European Economic Association*, 2003, vol. 1, n° 4, pp. 990-1029.
[9] Opinion, § 144 et seq. and § 149 et seq.

to remove the 10% cap, as the biggest agencies would simply raise their fees. This position is notable because the Authority usually views price caps with suspicion: in earlier opinions, it found that caps tend to become focal points towards which prices converge, and that any cap should be regularly updated and presented as a maximum only[10]. Here, it applies that same reasoning but concludes that the cap should be kept, given the sector's concentration. Instead of removing it, the Authority recommends encouraging open castings, updating the cap and making clear that it is only a maximum, and using written contracts between agents and artists. Finally, it recalls that merger control and antitrust rules still apply, and stresses that even an acquisition below the notification thresholds can be caught as an abuse of dominance, as shown by the *Towercast* case law and the Authority's recent *Doctolib* decision[11]. This is particularly relevant in a sector where deals between agencies with modest turnover are unlikely to reach those thresholds.

The Opinion also illustrates the limits of the Authority's advisory role. Although Parliament can seek its opinion and the Authority can consult a wide range of industry participants, it can only provide a general assessment[12]. As the Opinion itself points out, it cannot determine whether specific conduct infringes competition law, since this is only possible in contentious proceedings. Nor can it grant an exemption to particular practices, which can only be done in such proceedings or in an opinion requested by a court[13]. Its recommendations are not binding, which may explain why they seem quite cautious compared with how serious the problem is.

The central issue is therefore whether competition can be restored in a market whose concentration results less from legal barriers than from the very economic structure of intermediation itself. The challenge is to address these structural disadvantages without introducing rules that make entry even more difficult.

The Authority highlights how the market is locked by its own structure (I), before considering remedies that seek to improve its functioning without fundamentally changing its organisation (II).

[10] Aut. conc., opinion n° 20-A-01 of 14 January 2020, paras 88 and 91-104; Aut. conc., opinion n° 23-A-16 of 12 October 2023, §§172-183.
[11] Commercial Code, art. L. 430-2, L. 420-1 and L. 420-2; TFEU, art. 101 and 102; CJEU, 16 March 2023, *Towercast*, C-449/21; Aut. conc., decision n° 25-D-06 of 6 November 2025.
[12] Commercial Code, art. L. 462-1.
[13] Opinion, §§ 6-7, referring to Commercial Code, art. L. 463-1 et seq. (contentious proceedings), L. 462-3 (opinion at the request of a court) and L. 420-4, and TFEU, art. 101(3) (exemption).

## I. A diagnosis revealing structural concentration despite market liberalisation

Although the legislator removed every legal barrier to entry, the Authority finds that the sector is dominated by a small number of agencies. It first observes this strong concentration and its negative effects (A), before explaining it by the two-sided nature of the market and the network effects it creates (B).

### A. The observation of a strong concentration and its negative effects

Examining this sector through competition law is not an obvious choice, since cinema is often presented as a cultural exception. Yet the doctrine has long recognised that cinema is both an art and an industry. It is therefore subject to competition rules, even though these must be adapted, since films are not ordinary, interchangeable products[14].

The Authority first describes a very unbalanced sector. On one side are two large agencies. The first is the group formed by Adéquat and Artmedia, which have been owned by the same company since April 2025 thus forming a single undertaking, and, to a lesser extent, UBBA. On the other side are a few mid-sized agencies and many small ones earning less than €100,000 a year. In 2024, Adéquat/Artmedia earned around €13 million, more than four times as much as the third agency, and UBBA around €4.5 million. According to the Authority's own database, Adéquat represents at least one actor in 85% of French fiction films, and UBBA in nearly two-thirds of them. These figures illustrate the considerable gap between the leading agencies and the rest of the sector, which is not surprising. Indeed, authors have already observed, about film distribution, that operators are very unequal and that competition must be regulated to prevent oligopolies from forming[15]. The Opinion shows that the same risk now affects the representation of artists.

The method used is more open to debate. The Authority measures concentration only through revenue and presence in films, without defining a relevant market, even though the commission of inquiry had asked it to[16]. Relying on these two indicators has a real advantage, since they capture what matters most in an intermediation market: the capacity to control access to projects. Yet market definition is a general prerequisite for any assessment of harm to competition, and

[14] F. Colly, "Le médiateur du cinéma. La régulation de la concurrence et de l'offre culturelle dans le secteur de la diffusion des films", in M. Deguergue (ed.), *L'art et le droit. Écrits en hommage à Pierre-Laurent Frier*, Éditions de la Sorbonne, 2010, pp. 63-90, spec. n°5.

[15] *Ibid,* spec. n°26

[16] Opinion, Introduction, §2.

two-sided markets are no exception[17]. In such markets, it is all the more important since the interdependence of the two sides can already be considered at that stage, as the Authority's own merger guidelines, quoted in the Opinion, acknowledge[18]. The absence of a defined market therefore limits the precision of the assessment. This can be explained by the nature of an opinion, which does not require proof of dominance for the purpose of sanctioning a firm, but it remains a significant methodological limitation.

The Authority then lists the negative effects of this concentration: delayed castings, higher production costs, filtering of projects led by unknown directors, and risks of conflicts of interest between the artists they represent. These concerns suggest that the principal harm may not lie in prices, which are capped, but in the conditions under which producers and artists gain access to one another. This is logical: when firms cannot raise their prices, their market power shows in other ways. The concentration of demand on a few famous actors also explains why a few agencies become unavoidable. In entertainment markets, small differences in talent lead to very large differences in demand and income[19]. The agencies that represent these "superstars" therefore capture most of the value.

Having established this concentration and its effects, the Authority then looks for its causes, which lie less in the behaviour of the agencies than in the very structure of the market.

B. The economic explanation highlighting a two sided market with strong network effects

In theory, a perfectly competitive market rests on several conditions, such as full transparency of information, free entry and adjustment through prices: each firm sets its price according to its competitors' prices and its customers' reactions[20]. The talent representation sector departs from this model on almost every point. Entry is legally free, but artists lack information about casting opportunities, and agencies hardly compete on price, since almost all of them charge the same 10% commission. The Authority explains this gap mainly by the two-sided structure of the market.

Agencies act as intermediaries between two groups: artists, who use their career

[17] A.-S. Delhaise and P. Wilhelm, "La notion de «two-sided market» en droit de la concurrence", *RLC*, n° 9, October–December 2006.
[18] Opinion, §136; Aut. conc., *Lignes directrices relatives au contrôle des concentrations*, §664.
[19] S. Rosen, "The Economics of Superstars", American Economic Review, 1981, vol. 71, n°5, pp.845-846.
[20] V. Viallard, *Le critère d'appréciation substantielle des concentrations. Étude comparée des droits communautaire et américain*, Dalloz, coll. Nouvelle Bibliothèque de Thèses, vol. 67, 2007, n°45, p.34 and seq.

management services, and producers, who use them to find actors. As the Authority's Merger Control Guidelines point out, the two sides of such a market cannot be analysed separately[21]. Authors have long shown that this type of market generates network effects[22], since an intermediary becomes more attractive to one group when the other uses it more[23]. Here, these effects are mainly indirect. The more well-known artists an agency represents, the more producers contact it. The more producers contact it, the more attractive it becomes for artists, including emerging ones who hope to benefit from its network, thus creating a feedback loop. Agencies with famous actors are contacted first, at the financing stage, so they learn about projects before their competitors and can place their other artists in the remaining roles. A new agency must therefore reach a critical mass on both sides at once, which acts as a barrier to expansion. The Authority had already described a similar mechanism in the Doctolib case, where indirect network effects limited competition in the online medical booking market[24]. Additionally, authors have shown that, in industries marked by such effects, dominance can become very difficult to reverse[25]. The concentration observed is therefore not a temporary phenomenon that the market will correct by itself, but a structural one that makes it harder for any competitor to catch up.

Other features reinforce this concentration. Exclusivity pushes artists to choose the agency with the largest network, since they can only have one. This is true even though, in practice, they can leave at any time. On this point, the authors have explained that exclusivity is particularly worrying in markets where network effects already favour the leading firm[26]. In addition, small agencies invest in developing young artists, who then often leave for larger agencies once they become successful, while artists rarely leave the largest agencies. Finally, recent trends make things worse: the decline of low- and mid-budget films, where small agencies usually place their artists, and the rise of big-budget productions that depend on famous actors.

This analysis is convincing, even though the Authority does not measure these network effects and relies mainly on the statements of the operators it heard. Above all, it shows that

21 Aut. conc., Merger Control Guidelines, §665.

22 A.-S. Delhaise and P. Wilhelm, "La notion de «two-sided market» en droit de la concurrence", *RLC*, n° 9, October–December 2006.

23 J.-C. Rochet and J. Tirole, "Platform Competition in Two-Sided Markets", *Journal of the European Economic Association*, 2003, vol. 1, n° 4, pp. 990-1029.

24 Aut. conc., decision n°25-D-06 of 6 November 2025, §664 and §737.

25 F. Marty and J. Pillot, "Les marchés bifaces saisis par le droit de la concurrence. Réflexions sur la décision Android de la Commission européenne", *Sciences Po OFCE Working Paper*, n°01, 2019, pp. 12 and 15.

26 P. Bougette, F. Marty, J. Pillot and P. Reis, "Appréciation des clauses d'exclusivité par les autorités de la concurrence : le cas des marchés de haute technologie", *Concurrences*, n° 3-2010, pp. 65-74.

the concentration of the sector does not result from any unlawful behaviour by the leading agencies, but from the very way the market works.

Once this diagnosis is established, the question becomes how to remedy a concentration that results from the structure of the market rather than from any proven infringement.

## II. Remedies requiring cautious regulation in the absence of an established infringement

Since an opinion cannot establish that any practice is illegal, the Authority can only suggest solutions. It favours limited adjustments to the existing rules rather than a reform of the whole sector (A), while reminding the sector that ordinary competition law remains available, even though its use here has limits (B).

### A. Regulatory adjustments rather than an overhaul of the sector

The Authority first rejects the main proposal of the commission of inquiry. Reintroducing a professional certification would make the profession more professional, but it would discourage new agents, especially those with atypical backgrounds, and favour the largest agencies, which can more easily pay for certification and training. This position is well founded. Occupational licensing, even when presented as a guarantee of quality, mainly protects established professionals by raising barriers to entry. Studies confirm that it reduces the number of providers without clearly improving quality, and present voluntary certification as a less restrictive alternative, which the Authority could have suggested[27]. The Authority also recommends encouraging open castings, for example by making certain public subsidies conditional on them. The idea is interesting, but it does not address the core problem: producers turn to the leading agencies not for lack of tools, but because famous actors are what secure financing.

The Authority's position on the 10% cap is more nuanced. In line with its usual practice, it recalls that a price cap is an exceptional tool in a market economy. Such a cap tends to become a focal point towards which all prices converge[28]. This is clearly the case here, since almost all agencies charge exactly 10%. Empirical studies have even shown that a legal ceiling can facilitate tacit collusion

[27] M. M. Kleiner, "Occupational Licensing", *Journal of Economic Perspectives*, 2000, vol. 14, n° 4, pp. 192 and 198.

[28] Aut. conc., opinion n°20-A-01 of 14 January 2020, §§91-104; Aut. conc., n°23-A-16 of 12 October 2023, §§172-179.

between firms[29]. Yet the Authority does not recommend abolishing the cap: it considers that the overall effects of such a measure would be uncertain, and that the dominant agencies would probably use their bargaining power to raise their fees. In other sectors where commissions are not capped, they reach 20 to 30%[30]. This fear is therefore credible, but it leads to a paradox: the Authority keeps a mechanism it considers harmful, because the market is too concentrated to function without it. It thus only recommends updating the cap, unchanged since 1971, and informing artists that they can negotiate a lower rate. This recommendation is complemented by a third one, aimed at giving artists better information on the content and execution of their mandate. The Authority invites agents to systematically use written contracts and to report periodically on their work. Since the producer usually pays the commission, many artists do not realise that it reduces their own pay. Better information would allow them to compare agents and could ultimately strengthen competition between them.

This position reveals a genuine regulatory dilemma. Removing the cap could restore greater freedom in setting commissions, but it could also expose artists to agencies with considerable bargaining power. Keeping it, however, risks preserving the common reference point that may discourage price competition. Updating the ceiling and informing artists that they can negotiate a lower rate may improve the situation, but these measures do not necessarily address the underlying reasons why agencies tend to charge the same amount.

These recommendations are therefore realistic, but they remain modest. None of them directly tackles the network effects identified in the first part, and none are binding, thus depending on the goodwill of the legislator and of the profession. Their practical impact will consequently depend on whether the relevant actors adopt them and whether they are sufficient to change existing market incentives.

This is why it is important to understand that these regulatory adjustments are therefore completed by a reminder of the tools that ordinary competition law already offers.

### B. The use of ordinary competition law, and its limits

By recalling the tools of ordinary competition law, the Authority sends a clear message to the sector: if regulation fails, enforcement remains possible. Yet a closer look shows that

[29] C. R. Knittel and V. Stango, "Price Ceilings as Focal Points for Tacit Collusion: Evidence from Credit Cards", *American Economic Review*, 2003, vol. 93, n° 5, pp. 1703-1729.

[30] Aut. conc., opinion n° 26-A-02 of 18 February 2026 on competition in the online video content creation sector in France, § 88.

each of these tools faces serious obstacles in this market, which the opinion only partly acknowledges.

The Authority first recalls that it can control mergers between agencies. A merger of two agencies representing film actors, for example, could create a dominant firm. Merger analysis is not limited to proving dominance: it assesses the overall competitive balance of the market and weighs possible efficiency gains, as part of the doctrine recommends[31]. This approach would suit a sector where no agency is formally dominant. In practice, however, this tool is largely theoretical. Under French law, a merger must be notified to the Authority only if the combined worldwide turnover of the undertakings concerned exceeds €250 million and at least two of them each earn more than €80 million in France. These thresholds were raised from €150 million and €50 million by the 2026 Economic Life Simplification Act and have applied since 1 September 2026. EU merger control, for its part, only covers far larger operations, in principle where the combined worldwide turnover exceeds €5 billion and at least two undertakings each earn more than €250 million in the EU[32]. Here, the leading agency group earns around €13 million. Even a notifiable merger would probably not be blocked, since in the film sector merger control usually leads to clearances subject to commitments rather than prohibitions[33].

The Authority therefore relies on the *Towercast* case law, under which an acquisition below the thresholds can still be an abuse of dominant position[34], as in *Doctolib*, a market also marked by network effects[35]. This reference is not neutral, since the talent agency sector is also concentrated and also marked by network effects. Yet the opinion itself mentions, in a simple footnote, that 'Adéquat' and 'Artmedia' have shared the same owner since April 2025[36], without asking whether this combination of the two historic leaders raises the very concern it describes. This silence can be explained by the limits of an advisory opinion, which cannot assess a specific transaction. It is nevertheless striking, since this transaction shaped the current structure of the market more than any other.

The authority additionally recalls the prohibition of anticompetitive agreements and abuses of dominant position. The reminder on anticompetitive agreements,

31 Code de commerce, art. L.430-6.

32 Commercial Code, art. L. 430-1, L. 430-2 and L. 430-6, as amended by Law n° 2026-403 of 26 May 2026 on the simplification of economic life, art. 24; Council Regulation (EC) n° 139/2004 of 20 January 2004 on the control of concentrations between undertakings, art. 1-3.

33 A.-M. Oliva, "Cinéma", *Répertoire IP/IT et Communication*, Dalloz, July 2021, §§ 32-41.

34 CJEU, 16 March 2023, *Towercast*, C-449/21, point 52.

35 Aut. conc., decision n° 25-D-06, op. cit., §§ 664 and 737.

36 Opinion, fn. 128.

through the modelling agencies decision[37], seems to target the agents' union, which presents 10% as both a ceiling and a floor. But as long as the cap remains, alignment on 10% can be explained by the law rather than by collusion, and results at most from tacit coordination[38]. By keeping the cap, the Authority preserves the very mechanism that makes this alignment hard to sanction. Additionally, the authority recalls a case by case assessment of exclusivity in abuse of dominant position. Yet, by recommending written mandates, it may lead agencies to formalise exclusivities that are today only theoretical[39]. Along the same lines, abuse requires proof of dominance, whereas the leading group represents 30% of the actors identified, well below the 50% threshold from which dominance is presumed[40].

These tools therefore serve more as a credible threat than as a warning, inviting agencies to change their practices before the Authority has to intervene. This is not necessarily ineffective: experience in the film sector shows that the mere threat of coercive tools can be enough to change operators' behaviour[41].

**Julie BASCOU**

[37] Aut. conc., decision n° 16-D-20 of 29 September 2016, *Agences de mannequins*.
[38] C. R. Knittel and V. Stango, "Price Ceilings as Focal Points for Tacit Collusion: Evidence from Credit Cards", *American Economic Review*, 2003, vol. 93, n° 5, pp. 1703-1729.
[39] Opinion, Recommendation n°3.
[40] CJEC, 3 July 1991, *AKZO v Commission*, C-62/86, point 60.
[41] F. Colly, "Le médiateur du cinéma. La régulation de la concurrence et de l'offre culturelle dans le secteur de la diffusion des films", in M. Deguergue (ed.), *L'art et le droit. Écrits en hommage à Pierre-Laurent Frier*, Éditions de la Sorbonne, 2010, pp. 63-90, spec. n°5