

[DE] Network Operators' Hike in Cable Fees Prohibited

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At the end of last year, the cable network operator Primacom lost a case at the Leipzig Amtsgericht (District Court - AG) to a client who had complained about a rise in cable connection fees.

The company had explained that the rise was necessary because it intended to digitise its cable network and had to cover the cost of that investment.

In its ruling, however, the court deemed such a price rise to be illegal. In particular, Primacom could not rely on its general terms and conditions for cable connection, under which appropriate price rises were permitted if Brussels modernisation became technically necessary. Digitisation did not constitute "modernisation", since it did not improve the existing analogue broadband cable service.

In case the term "modernisation" was interpreted differently, the court also decided that the price could not be raised in order to pay for some future digitisation process. The cable connection contract was a permanent agreement. It was based on mutual obligations, so the idea of burdening individual cable customers with the cost of future digitisation, the implementation of which was still in doubt, could not be justified. Primacom could not finance its future digital TV service by raising the fee paid under contract by cable customers for an analogue service. It would have to find other means of raising the necessary funds for digitisation.

Amtsgericht Leipzig, Urteil vom 23. November 2001, Aktenzeichen: 1 C 10731/01

Judgment of the Leipzig District Court of 23 November 2001, case no. 1 C 10731/01

