

[DE] Federal Cartels Office Authorises SES Astra's Takeover of Digital Playout Center

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On 30 December 2004 the Bundeskartellamt (Federal Cartels Office) authorised the acquisition by SES Global Europe S.A. (SES Astra) of shares in DPC Digital Playout Center GmbH (DPC) owned by Premiere Fernsehen GmbH & Co. KG (Premiere) on condition that SES Astra acquires 100% of the shares. SES Astra had originally planned to purchase 72.5% of the shares in DPC, but now, through a corresponding increase in the overall price, it will own all the shares. According to the Bundeskartellamt, the merger will strengthen SES Astra's dominant position in the national DTH transponder market. Nevertheless, it was authorised because the break-up of Premiere's digital pay-TV platform will improve competition. The Bundeskartellamt thought that these improvements outweighed the strengthening of SES Astra's dominant market position, since Premiere's sale of DPC would loosen its hold over an important part of the infrastructure of the pay-TV end consumer market, in which Premiere held a dominant position. Experiences in the network-based telecommunications, energy and transport industries suggested that competition-related advantages of unbundling (bottleneck) upstream and downstream (end customer) services outweigh the disadvantages of bundling two upstream components with one operator.

Federal Cartels Office press release, 30 December 2004

