

[CZ] Abuse Proceedings Against Czech Telecom

IRIS 2005-3:1/10

Jan Fučík
Česká televize

In December 2004, the President of the Úřad na ochranu hospodářské soutěže (Czech Cartels Authority) confirmed a fine of CZK 23 million (EUR 757,251.51) imposed by the Cartels Authority on Czech Telecom in February 2004 for abuse of a dominant market position. The proceedings had been instigated in 2003 following a complaint by a Czech competitor. The investigation into Czech Telecom had revealed that, between February 2002 and January 2003, the fees that Czech Telecom charged its competitors for access to ADSL networks were so high that none of these competitors had been able to operate at a profit. Czech Telecom had therefore prevented its competitors from successfully entering the ADSL services market. Also no information had been released about the company's amalgamation of networks. It had therefore restricted the choice of telecommunications service providers, at the expense of consumers, and by doing so prevented effective competition. Czech Telecom enjoyed a market share of around 90% at the time.

Czech Telecom, which is entitled to lodge an appeal with the courts, has stated that the matter was two years old and was now closed.

Today, 20 different providers offer ADSL services to around 75,000 end users in the Czech Republic.

