

[BG] Competition regulatory authority rejects complaint of Neterra

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*Rayna Nikolova
New Bulgarian University*

Neterra EOOD (hereinafter 'Neterra') has brought proceedings before the Bulgarian Commission for Protection of Competition (hereinafter 'the Commission') asserting that a breach of the Bulgarian Law on Protection of Competition (hereinafter 'the Law') has been committed by bTV Media Group EAD (hereinafter 'bTV'). It is contended that this breach is in the form of ungrounded refusal of bTV to provide services aimed to hinder the activities of Neterra as well as in the application of different conditions with regard to the same types of contracts and with regard to particular partners whereupon these are placed in an unequal situation as competitors.

Neterra carries out activities regarding the provision of web TV or, in other words, Internet television through the site www.neterra.tv to territories outside of Bulgaria's borders. To that end, Neterra uses IP protocol for the transfer of television content to the end user. From a technologic point of view, the service constitutes a digital signal, which is distributed by satellite or by optic fibre and then is sent through IP protocol to a decoding server, afterwards is transferred to a streaming server, and at the end it reaches the end customer through the global network. According to Neterra, the service offered differs from the IPTV service, since it is accessible to any Internet user. The customers have the option to choose their preferred form of watching television:

- a) Live – meaning watching TV in real time, or
- b) VoD (Video on Demand) – recorded programmes, which are kept on a streaming server and which may be accessed at any time.

On 8 March 2013 Neterra received from bTV a written notification that within a one month period bTV shall terminate their bilateral contract. Neterra claims that the respondent company misuses its dominant position on the (wholesale) market for distribution of television programmes with the aim to restrict and distort competition at the lower and interrelated market for distribution of television programmes to end users; in particular at the sub-market for distribution of television programmes to end users outside the state territory, via the Internet, whereupon the claimant company is acting commercially. In the light of its significant market share and share of the (wholesale) market for distribution of

television programmes for over five years, the television operator bTV exploits its 'advantage' to impose unilateral conditions on its customers – no matter whether cable, satellite, IP or Internet television, which distribute bTV's television content. In its capacity of copyrights and related rights holder, bTV has the right to define the territorial scope of distribution of the content inside and/or outside the borders of Bulgaria.

Having regard to the established facts and circumstances of the case, and to the based market and legal analysis, the Commission found that bTV has no dominant position on the market for the provision of rights for distribution of television programmes through platform-based operators and accordingly that there is no breach of the Law.

Решение № АКТ-189-12.02.2014, Комисия за защита на конкуренцията

<http://reg.cpc.bg/Dossier.aspx?DossID=300043173&uniq=2242013+%D0%B3+12%3A42+%D1%87>

Decision n° АКТ-189 of the Competition Authority, 12 February 2014

