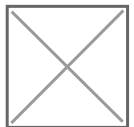


21 July 2011: Mobile telephony

Published on August 26, 2011

The *Autorité de la concurrence* clears the acquisition by France Télécom of sole control of CET (*Photo Service* and *Photo Station* chain stores)

> Version française



The *Autorité de la concurrence* has examined **France Télécom's** takeover of **Compagnie Européenne de Téléphonie (CET)**.

France Télécom is an integrated electronic communications operator which supplies a large range of services to private individuals, businesses and large companies in Europe and worldwide. It is also one of Europe's leading suppliers of mobile telephony via its **Orange SA** subsidiary.

CET distributes mobile phone services and Internet access offers to private individuals through its *Photo Service*, *Photo Station* outlets and its Orange franchise stores. It also offers photographic products and services.

France Télécom already had joint control of CET¹

The Minister of Economy, Finance and Employment previously cleared France Télécom's acquisition of the joint control of CET at the start of 2008² subject to disposing of four sales outlets. At the end of this operation, the *Photo Station* and *Photo Service* outlets (which fell from 508 to 279 in 2008) were already exclusively distributing Orange products and services.

Acquisition of sole control of CET by France Telecom does not raise any competition concerns

In this context, the *Autorité* considered that France Télécom's acquisition of CET would not weaken competition on the markets of mobile telephony services or the distribution of these services in so far as CET's market shares in retail are limited. The access to final consumers for France Télécom's competitors is thus not threatened. The same applies for access to Orange products for CET's competitors in retail.

(1) Before the Autorité de la concurrence was notified of this operation, France Télécom controlled 48.5% of CET's capital.

(2) Letter from the Minister of Economy, Finance and Employment n° C2007-144 of 4 January 2008. Up until March 2009, the Minister of Economy, Finance and Employment was the competent authority for merger review. This power was transferred to the Autorité de la concurrence by the law on the modernisation of the Economy of 4 August 2008.

> Consult the full text of Decision 11-DCC-118 of 20 July 2011 (in French) concerning the acquisition by France Télécom SA of sole control of Compagnie Européenne de Téléphonie (CET)

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