

7 June 2013: Pay TV

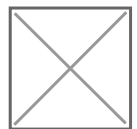
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The Autorité de la Concurrence approves three reference offers from the Groupe Canal Plus, after amendments.

The first one regulates access of independent channels to distribution services by CanalSat; the second defines their transmission services.

The third reference offer governs the availability of the CanalPlus movie channels (Ciné+).

> *Version française*



On 23 July 2012, the Autorité de la concurrence cleared the acquisition of TPS and CanalSatellite by Vivendi Universal and Groupe Canal Plus ("GCP"), subject to compliance with injunctions designed to re-introduce sufficient competition in the pay TV markets ([see press release dated 23 July 2013](#)).

Reminder of the injunctions concerned

- *Introducing clear rules for independent channels' access to CanalSat*

The Autorité enjoined GCP, in particular, to define objective and transparent rules for the transmission of independent television channels as part of its CanalSat package, by providing publishers with a reference package.

- *Opening access for competing distributors to movie channels published by Canal+*

The Autorité also enjoined GCP to make the Ciné+ movie channels available to its competitors – so that the latter can offer these channels to television viewers as

part of their own pay TV packages – and to publish a reference offer describing the pricing and technical conditions for this availability (“unbundling”).

In order to comply with these injunctions, on 3 and 4 October 2012 GCP submitted to the Autorité a preliminary version of the offers relating to the distribution conditions for independent channels and the availability of the movie channels. These offers, defined further following discussions with the Autorité, were then submitted for public consultation in early March (see press release dated 4 March 2013).

The offer relating to the distribution conditions by independent channels marks an important change to the benefit of independent channels, competing distributors and television viewers

At the end of the consultation, which also made it possible to record the CSA's opinion, and after obtaining better conditions on several key issues, the Autorité approved the reference offer relating to distribution conditions for the independent channels. The implementation of the document will make it possible to re-balance the contractual relationship between GCP and the independent publishers, by offering the latter objective, transparent and non-discriminatory distribution conditions.

This reference offer ought to make it possible to strengthen the independent channels sector against Groupe Canal Plus and thus improve and diversify pay TV packages for television viewers. This greater transparency will also make it possible for alternative channels (such as internet access providers and cable networks), to provide counter distribution offers that would be of interest to the independent channels as well as it would offer more diversity to the subscribers.

Making movie channels available will enable all the distributors to create more attractive bouquets

The reference offer concerning the distribution of the Ciné+ channels by competing broadcasters takes account of the main comments collected by the Autorité through the public consultation it organised. In its amended version, the

reference offer for making the Ciné + movie channels available is of such a nature as to enable competing distributors to create packages that include these channels, under non-discriminatory conditions in comparison with those that GCP gives itself. The effective unbundling of these channels will make it possible for GCP's competitors to offer more diverse bouquets, giving them access to attractive thematic channels. It will favour greater competition in the marketplace for pay TV broadcasting services that can be offered to consumers by alternative broadcasters.

In accordance with the injunctions issued by the Autorité, the reference offers relating to the distribution of the Ciné+ channels will be transmitted by GCP and the reference offers relating to distribution by the independent channels and to transmission services will be communicated by GCP to broadcasters at their request. They will be implemented under the control of the proxy and the Autorité. The latter will remain vigilant with respect to compliance with the injunctions and the competition objectives that are part of its remit.

Reminder of the main stages of the procedure

- **30 August 2006**: Canal Plus and Vivendi were allowed to acquire TPS subject to the implementation of 59 commitments.
- **20 September 2011**: the Autorité withdrew permission for the acquisition of TPS as a result of failure to comply with ten commitments, some of which were essential, and imposed a fine of 30 million euros on Canal Plus (decision 11-D-12 / press release).
- **24 October 2011**: the Vivendi and Canal Plus groups again notified the Autorité de la concurrence of the TPS acquisition operation.
- **23 July 2012**: new clearance decision subject to injunctions (decision 12-DCC-100 / press release).

> See the table listing the reference offers regulating distribution by independant channels on CanalSat and the availability of movie channels (in French)

> Full text of Decision 13-DAG-01 of 7 June 2013 relating to the implementation of injunction n°3(c) issued in Decision 12-DCC-100 clearing the acquisition of sole control of TPS and CanalSatellite by Vivendi Universal and Groupe Canal Plus (in French)

See the reference offers (in French):

- the distribution of independant channels

in Mainland France, in overseas départements

- the transmission of independant channels

in Mainland France, in overseas départements

- the availability of movie channels

in Mainland France, in overseas départements

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