

24 July 2017: Satellite Pay TV

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The Autorité de la concurrence makes the commitments of Groupe Canal Plus binding, leaving its subscribers free to choose their TV decoder to watch its programmes.

The complaint

A satellite decoder manufacturer lodged a complaint with the *Autorité de la concurrence* relating to practices implemented by Groupe Canal Plus ("GCP") putting an end to the possibility of receiving the linear broadcasts of Canal + using satellite decoders other than those rented out by GCP.

Receiving GCP programmes by satellite

In order to be able to view television channels by satellite, consumers must have a decoder that decodes and then transforms the signal into pictures and sounds.

Up until now, consumers wishing to access the satellite pay TV packages of GCP had been able either to rent a decoder from GCP or buy a "Canal Ready" decoder from a retail outlet, amongst the decoders produced by manufacturers that had concluded a partnership agreement with GCP. In such case, consumers would insert a card provided by GCP in order to access content ("card only" system).

GCP has terminated the partnerships concluded with the satellite decoder manufacturers, thereby depriving consumers of being able to choose an alternative decoder

In order to combat piracy linked to the reception of packages via third party decoders, GCP has decided to stop marketing card only systems and to terminate the Canal Ready partnership agreements.

The Investigations Services considered that this decision was likely to exclude the manufacturers of alternative satellite decoders from the market and to remove all competition from the downstream market, thereby depriving consumers from having the option of using decoders that are potentially cheaper or offer different features. This decision appeared to be disproportionate to the objectives pursued and was regarded as abusive.

Commitments proposed by GCP

In response to these competition concerns, GCP made a commitment to allow third party decoders fitted with a software access module known as "myCanal" and designed, inspected and updated directly by GCP to be manufactured and sold to consumers wishing to receive Canal + programmes via a third-party decoder. These consumers may also now access non-linear content.

The *Autorité* considers that these commitments, which will apply through to 31 December 2021, allow for the need to combat piracy to be met while continuing to provide an alternative to the decoder rented out by Groupe Canal Plus.

It has been decided to make these commitments binding and to close the procedure opened before it.

> See the full text of decision 18-D-14 of 24 July 2018 relating to practices implemented in the marketing of satellite TV decoders sector

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