EUROPEAN COMMISSION

Brussels, 18.7.2023
C(2023) 4982 final

PUBLIC VERSION

In the published version of this decision, some information has been omitted pursuant to Article 17(2) of Council Regulation (EC) No 139/2004 concerning non-disclosure of business secrets and other confidential information. The omissions are shown thus […]. Where possible the information omitted has been replaced by ranges of figures or a general description.

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Subject: **Case M.11125 – NETCEED (FORMERLY ETC GROUP) / AMADYS**
Commission decision pursuant to Article 6(1)(b) of Council Regulation No 139/2004[1] and Article 57 of the Agreement on the European Economic Area[2]

Dear Sir or Madam,

(1) On 13 June 2023, the European Commission ("**Commission**") received notification of a proposed concentration pursuant to Article 4 of the Merger Regulation by which Cinven Capital Management (VII) General Partner Limited ("**Cinven**" or "**Notifying Party**", Guernsey), through Parisian Bidco SAS ("**Netceed**", France), formerly known as ETC Group, acquires within the meaning of Article 3(1)(b) of the Merger Regulation sole control over Amadys Group B.V. ("**Amadys**", Belgium) (the "**Transaction**").[3] Cinven and Amadys are together referred to as the "**Parties**".

[1] OJ L 24, 29.1.2004, p. 1 (the 'Merger Regulation'). With effect from 1 December 2009, the Treaty on the Functioning of the European Union ('TFEU') has introduced certain changes, such as the replacement of 'Community' by 'Union' and 'common market' by 'internal market'. The terminology of the TFEU will be used throughout this decision.

[2] OJ L 1, 3.1.1994, p. 3 (the 'EEA Agreement').

[3] Publication in the Official Journal of the European Union No C 215, 19.6.2023, p. 7.

1. THE PARTIES

(2) **Cinven** is a private equity firm engaged in the provision of investment management and investment advisory services to a number of investment funds. Cinven solely controls **Netceed** which is active in the provision of telecommunications products (in particular cables, accessories and other equipment such as passive equipment and optical products) and services to telecommunications operators and telecommunications network installers. Netceed is not itself a manufacturer of any products, but provides services ancillary to the distribution of the above products, such as technical advice and supply chain/logistics management services. Netceed has activities in France, the United States, the United Kingdom, Portugal, Germany, Austria, Poland, Israel, Dominican Republic, Qatar, Oman, United Arab Emirates, Hong Kong and Morocco.[4]

(3) **Amadys** is active in the provision of passive equipment (e.g., cables, connectors and other tools) to telecommunications operators and network installers (comprising approximately 75% of Amadys' turnover), as well as providers in the energy sector (comprising approximately 25% of Amadys' turnover). Amadys provides products, tools and materials for infrastructure solutions. Amadys' customers are mainly network operators and industrial customers. Amadys' product and service portfolio focuses on passive network components for all utility segments and industrial applications, as well as the provision of related services. Amadys' passive components for underground and above-ground networks include fibre optic cables, inspection manholes, high density polyethylene conduits, in-line closures, micro cable ducts and patch cords. Amadys is primarily active in Belgium and the Netherlands, with smaller activities in Austria, Denmark, Germany, Hungary, Switzerland, Slovakia and the United Kingdom.

2. THE OPERATION AND THE CONCENTRATION

(4) The Transaction will be implemented pursuant to a share purchase agreement ("**SPA**") which was entered into on 8 March 2023 between Netceed and the shareholders of Constantia Holdco BV (Belgium), the holding company of Amadys.

(5) Pursuant to the SPA, Netceed will acquire all the shares in Constantia Holdco BV and consequently solely control Amadys. Therefore, the Transaction constitutes an acquisition of sole control pursuant to Article 3(1)(b) of the Merger Regulation.

[4] On 7 February 2023, Netceed (then ETC Group) signed the purchase agreement for the acquisition of BTV Multimedia GmbH ("BTV", Germany), a German provider to the broadband industry. This acquisition has been notified and cleared unconditionally in phase I by the respective merger control authorities of Austria, Cyprus and Germany. For the purpose of this decision, all references to Cinven include BTV.

3. UNION DIMENSION

(6) The undertakings concerned have a combined aggregate world-wide turnover of more than EUR 5 000 million (Cinven: […]; Amadys: […]).[5] Each of them has a Union-wide turnover in excess of EUR 250 million (Cinven: […]; Amadys: […]), but they do not achieve more than two-thirds of their aggregate Union-wide turnover within one and the same Member State.

(7) The notified operation therefore has a Union dimension pursuant to Article 1(2) of the Merger Regulation.

4. RELEVANT MARKETS

(8) Both Netceed and Amadys are active in the supply of telecommunications equipment. They are both distributors of passive telecommunications equipment. Both Parties provide fibre, coaxial cable and copper equipment.

(9) Therefore, the only relevant market is the market for the supply of passive telecommunications equipment (possibly also including active telecommunication equipment) or a potential subsegment of that market narrowed by type of equipment and/or by type of suppliers.

4.1. Product market definition

4.1.1. Past Commission decisions

(10) In previous cases,[6] the Commission found that the market for the supply of telecommunications equipment can be segmented into active and passive equipment[7]. Furthermore, in relation to passive components, the Commission found that the market should be segmented between (i) the manufacture and supply of passive equipment for carrier networks and (ii) the manufacture and supply of passive equipment for enterprise networks[8].

(11) With regard to the market for the manufacture and supply of passive equipment for carrier networks, the Commission considered the following potential further sub-segments, but ultimately left the market definition open: fibre components, copper components and coaxial cable components (possibly further segmented by cable specificities).

(12) With regard to the market for the manufacture and supply of passive equipment for enterprise networks, the Commission considered the following potential further sub-segments, but ultimately left the market definition open: copper components and fibre components (possibly further segmented by cable specificities).

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5 Turnover calculated in accordance with Article 5 of the Merger Regulation.

6 Commission decisions of 22 June 2015 in case M.7563 – *Commscope/TE BNS* and of 6 December 2010 in case M.5983 – *Tyco Electronics/ADC Telecommunications*.

7 Passive telecommunications equipment is different from active telecommunication in the sense that the former does not alter data transmission in any way, but only supports a specific network.

8 Carrier networks are the large networks of the operators of telecommunication networks. Enterprise networks are smaller networks within a company.

4.1.2. The Notifying Party's view

(13) The Notifying Party submitted that the market can be segmented into active and passive equipment, since the most basic functions of active and passive components of a network are different, because they require different development and manufacturing capabilities[9]. The Notifying Party confirmed that these components are mostly complementary: active and passive components require different development and manufacturing capabilities. The Notifying Party considers that any narrower segmentation of the market for passive components of a network solution can be left open as the Transaction would not give rise to any competition concerns even considering the narrowest plausible segmentation.[10]

(14) Regarding a possible segmentation between original equipment manufacturers ("**OEMs**") and distributors, the Notifying Party submitted that such a segmentation would not be appropriate: switching between these two groups of suppliers exists, customers can and do choose between OEMs and distributors. OEMs as well as distributors supply the needs of customers with roughly comparable products and prices.[11]

4.1.3. The Commission's assessment

(15) In the market investigation, a large majority of the respondents submitted that the market for passive telecommunications network equipment is separate from the market for active telecommunications network equipment. Only three respondents suggested that there would be an overall market for active and passive telecommunication equipment. Almost half of the respondents who provided an opinion on the market definition would further distinguish different markets by type of network (carrier or enterprise). A non-negligible minority of respondents suggested a further segmentation by component (fibre, copper, coax, mobile).[12]

(16) A large majority of the respondents rejected the idea of separate markets for OEMs and distributors, with the most frequent argument being that the offers would be substitutable.[13] To the contrary, internal documents of the Parties, and in particular Annex 5.4.2 to the Form CO, show that the Parties report Amadys' market shares by only comparing it with other distributors, thereby excluding OEMs.

(17) In any event, in line with the Notifying Party's submission and the results of the market investigation, the Commission considers that, for the purpose of this decision, the supply of passive telecommunication equipment constitutes a plausible product market. For the purpose of this decision, it can be left open whether the product market should be broader (also including active telecommunication equipment) or further segmented by (i) type of network (carrier or enterprise) and/or (ii) by component (fibre, copper, coax, mobile) and/or (iii) by operator type (OEMs, distributors) as the Transaction does not give rise to serious doubts as to its compatibility with the internal market irrespective of the relevant product market considered.

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9 Form CO, paragraph 76.
10 Form CO, paragraphs 77-84.
11 Form CO, paragraphs 85-92.
12 Responses to questionnaire Q1 to competitors, suppliers and customers, Question C.A.1.
13 Responses to questionnaire Q1 to competitors, suppliers and customers, Questions C.A.3 and C.A.4.

4.2. Geographic market definition

4.2.1. Past Commission decisions

(18) In previous decisions,[14] the Commission considered, but ultimately left open, that the market for the supply of passive telecommunications equipment (including all plausible segments) should be at least EEA-wide.

4.2.2. The Notifying Party's view

(19) The Notifying Party submitted that the appropriate geographic market is at least EEA-wide, mainly because (i) the main companies active in these sectors operate on a global scale; (ii) most products are standardised across the EEA; (iii) there are no significant product differentiations on a national basis. In any event, the Parties consider that the precise geographic market definition can be left open as the Transaction would not give rise to any competitive concerns even considering the narrowest plausible segmentation at the national level[15].

4.2.3. The Commission's assessment

(20) Almost all respondents to the market investigation who provided an opinion, confirmed that the relevant market is at least EEA-wide. Only two respondents submitted a different opinion on this point. One of them replied that the market is global. The other argued that deliveries to other countries may not always be possible and that therefore the markets might be national.[16]

(21) A large majority of the respondents also confirmed that they purchase or supply from/to other countries than the country of operation. Only a small number of respondents are only purchasing or supplying in one country.[17]

(22) Therefore, overall, the market investigation strongly supports the conclusions drawn in previous Commission decisions that the market for the supply of passive telecommunications is at least EEA-wide. The arguments provided by the Notifying Party also support this view. Although the market investigation did not ask about potential segments or a potential broader market including active telecommunication equipment, the evidence in the file does not suggest that such segments would have a narrower geographic scope.

(23) On the basis of the above and based on the results of the market investigation, the Commission considers the geographic scope of the market for the supply of active and passive telecommunication equipment or potential product market segments of this market to be at least EEA-wide.

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14 Commission decisions of 22 June 2015 in case M.7563 – *Commscope/TE BNS* and of 6 December 2010 in case M.5983 – *Tyco Electronics/ADC Telecommunications*.

15 Form CO, paragraphs 99-101.

16 Responses to questionnaire Q1 to competitors, suppliers and customers, Questions C.B.1 and C.B.2.

17 Responses to questionnaire Q1 to competitors, suppliers and customers, Questions C.B.3 and C.B.4

5. COMPETITIVE ASSESSMENT

5.1. Identification of affected markets

(24) In this section, the Commission assesses the Transaction's impact on competition on the narrowest plausible segment that would be affected by the Transaction, namely the supply of passive coaxial cable telecommunications equipment to carrier networks by distributors in the EEA. The lack of concerns of this segment reflects the lack of concerns on broader product and/or geographic markets, on which the Parties' combined shares would be below [20-30]%.

(25) Indeed, considering an EEA-wide geographic scope,[18] the Transaction only gives rise to one horizontally affected market:[19] the supply of passive coaxial cable telecommunications equipment to carrier networks by distributors in the EEA,[20] where the Parties' combined market share reaches [20-30]% with an increment of [5-10]% from Amadys in 2022.[21]

(26) The Transaction does not give rise to any non-horizontal relationship between the Parties.[22]

5.2. Analytical framework

(27) Under Article 2(2) and (3) of the Merger Regulation, the Commission must assess whether a proposed concentration would significantly impede effective competition in the internal market or in a substantial part of it, in particular through the creation or strengthening of a dominant position.

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18 If the geographic market is broader than the EEA, the Parties would have even lower market shares. Thus, given the lack of concerns on the EEA-wide market, there would also be no concerns for the broader market.

19 The Parties' activities overlap in other segments of the market for the supply of telecommunications equipment in the EEA as well. However, in such other potential markets, the Parties' combined market shares would not exceed [20-30]%.

20 While the Parties do not collect data enabling them to provide exact market shares of their activities in relation to the supply of passive telecommunication equipment (including all plausible product market segments) to enterprise networks, they submit that the competitive effects of the Transaction on the market for the supply of passive telecommunication equipment (including all plausible product market segments) to carrier networks would yield identical conclusions considering the market for the supply of passive telecommunication equipment (including all plausible product market segments) to enterprise networks due to the significant out-of-market competitive constraints that the much larger market for the supply of passive telecommunication equipment (including all plausible product market segments) to carrier networks would exert on the market for the supply of passive telecommunication equipment (including all plausible product market segments) to enterprise networks (see Notifying Party's response to RFI 4, paragraph 5). As such, the Commission will not further assess the market for the supply of passive telecommunication equipment (including all plausible product market segments) to enterprise networks in this decision.

21 Notifying Party's response to RFI 4, table 1b.

22 For completeness, the Notifying Party explains that there may be hypothetical vertical links between the activities of Amadys and the following portfolio companies controlled by Cinven that are active in the telecommunications sector, downstream of the activities of Amadys: Ufinet International which is only active outside the EU and Nitel, which has […] in the EU (i.e., EUR […] in 2021). Furthermore, the Notifying Party confirms that the market shares of these companies are below [20-30]% considering all plausible product and geographic product market definitions. As such, the Commission will not discuss these non-horizontal links any further.

(28) In this respect, a merger may entail horizontal and/or non-horizontal (namely, vertical or conglomerate) effects. Horizontal effects are those deriving from a concentration where the undertakings concerned are actual or potential competitors of each other in one or more of the relevant markets concerned. Vertical effects are those deriving from a concentration where the undertakings concerned are active on different or multiple levels of the supply chain. Conglomerate effects are those deriving from a concentration where the undertakings concerned are in a relationship which is neither horizontal nor vertical. A concentration may involve all three types of effects. In such a case, the Commission will appraise horizontal and nonhorizontal effects in accordance with the guidance set out in the relevant notices, that is to say the Horizontal Merger Guidelines[23] and the Non-Horizontal Merger Guidelines.[24]

(29) In assessing the competitive effects of a merger, the Commission compares the competitive conditions that would result from the notified merger with the conditions that would have prevailed without the merger. In most cases the competitive conditions existing at the time of the merger constitute the relevant comparison for evaluating the effects of a merger. However, in some circumstances, the Commission may take into account future changes to the market that can reasonably be predicted.[25]

(30) The Horizontal Merger Guidelines consider that concentrations which, by reason of the limited market share of the undertakings concerned, are not liable to impede effective competition may be presumed to be compatible with the common market. Without prejudice to Articles 101 and 102 of the TFEU, an indication to this effect exists, in particular, where the market share of the undertakings concerned does not exceed 25 % either in the common market or in a substantial part of it.[26]

(31) Furthermore, the Horizontal Merger Guidelines indicate that the Commission is unlikely to identify horizontal competition concerns in a market with a post-merger HHI[27] below 1 000. Such markets normally do not require extensive analysis. Similarly, the Commission is unlikely to identify horizontal competition concerns in a merger with a post-merger HHI between 1 000 and 2 000 and a delta below 250, or a merger with a post-merger HHI above 2 000 and a delta below 150, except where (i) a merger involved a potential entrant or a recent entrant with a small market share; (ii) one or more merging parties are important innovators in ways not reflected in market shares; (iii) there are significant cross-shareholdings among the market participants; (iv) one of the merging firms is a

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23 Guidelines on the assessment of horizontal mergers under the Council Regulation on the control of concentrations between undertakings ("**Horizontal Merger Guidelines**"), OJ C31, 5.2.2004, p. 5.

24 Guidelines on the assessment of non-horizontal mergers under the Council Regulation on the control of concentrations between undertakings ("**Non-Horizontal Merger Guidelines**"), OJ C 265, 18.10.2008, p. 6.

25 Horizontal Merger Guidelines, paragraph 9; Non-Horizontal Merger Guidelines, paragraph 20.

26 Horizontal Merger Guidelines, paragraph 18. See also recital 32 of the Merger Regulation.

27 The Herfindahl-Hirschman Index ("**HHI**") is calculated by summing the squares of the individual market shares of all the firms in the market. The HHI gives proportionately greater weight to the market shares of the larger firms. Although it is best to include all firms in the calculation, lack of information about very small firms may not be important because such firms do not affect the HHI significantly. While the absolute level of the HHI can give an initial indication of the competitive pressure in the market post-merger, the change in the HHI (known as the "**Delta**") is a useful proxy for the change in concentration directly brought about by the merger.

maverick firm with a high likelihood of disrupting coordinated conduct; (v) indications of part or ongoing coordination, or facilitating practices, are present; and, (vi) one of the merging parties has a premerger market share of 50% or more.[28]

(32) A merger giving rise to significant impediment of effective competition may do so as a result of the creation or strengthening of a dominant position in the relevant markets. Moreover, mergers in oligopolistic markets involving the elimination of important constraints that the parties previously exerted on each other, together with a reduction of competitive pressure on the remaining competitors, may also result in a significant impediment to effective competition, even in the absence of dominance.[29]

(33) In fact, the Horizontal Merger Guidelines describe horizontal non-coordinated[30] effects as follows: "*A merger may significantly impede effective competition in a market by removing important competitive constraints on one or more sellers who consequently have increased market power. The most direct effect of the merger will be the loss of competition between the merging firms. For example, if prior to the merger one of the merging firms had raised its price, it would have lost some sales to the other merging firm. The merger removes this particular constraint. Non-merging firms in the same market can also benefit from the reduction of competitive pressure that results from the merger, since the merging firms' price increase may switch some demand to the rival firms, which, in turn, may find it profitable to increase their prices. The reduction in these competitive constraints could lead to significant price increases in the relevant market.*"[31]

(34) The Horizontal Merger Guidelines list a number of factors which may influence whether or not significant horizontal non-coordinated effects are likely to result from a merger, such as the large market shares of the merging firms, the fact that the merging firms are close competitors, the limited possibilities for customers to switch suppliers, or the fact that the merger would eliminate an important competitive force.[32] That list of factors applies equally regardless of whether a merger would create or strengthen a dominant position, or would otherwise significantly impede effective competition due to non-coordinated effects. Furthermore, not all of these factors need to be present to make significant non-coordinated effects likely and it is not an exhaustive list.[33]

(35) In addition, the Horizontal Merger Guidelines describe a number of factors, which could counteract the harmful effects of the merger on competition, including the likelihood of buyer power, the entry of new competitors on the market, and efficiencies.

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28 Horizontal Merger Guidelines, paragraphs 19-20.

29 Horizontal Merger Guidelines, paragraph 25.

30 The Commission considers that the Transaction does not raise serious doubts as to its compatibility with the internal market due to possible coordinated effects for the following reasons. First, there are many competitors with asymmetric market shares. Second, the customers of the services provided by the Parties have material countervailing buyer power.

31 Horizontal Merger Guidelines, paragraph 24.

32 Horizontal Merger Guidelines, paragraphs 27 and following.

33 Horizontal Merger Guidelines, paragraph 26.

5.3. Market shares

(36) According to the Horizontal Merger Guidelines,[34] in the assessment of the effects of a merger, market shares constitute a useful first indication of the structure of the markets at stake and of the competitive importance of the relevant market players.

(37) In the following table, the Commission presents the market shares of the Parties to the Transaction and their competitors, in the market for the supply of passive coaxial cable telecommunications equipment to carrier networks by distributors in the EEA, the only market affected by the Transaction.[35] This is the only potential market definition that would lead to an affected market with market shares above 20%. Under all other possible market segmentations, the combined market shares of the Parties are below 20%.

Table 1: Market shares on the market for the supply of passive coaxial cable telecommunications equipment to carrier networks by distributors in the EEA (by value, 2022)[36]

Undertaking	Market share (%)
Cinven	[10-20]%
Amadys	[5-10]%
Combined	[*20-30*]%
Sonepar	[5-10]%
FaberKabel	[5-10]%
HTI (GC Gruppe)	[5-10]%
Rexel	[0-5]%
Lapp Kabel	[0-5]%
Others[37]	[40-50]%
Total	100

Source: Notifying Party's response to RFIs 4 and 5

(38) On the basis of the data provided by the Parties, it appears that the merged entity would be the market leader in the market for the supply of passive coaxial cable telecommunications equipment to carrier networks by distributors in the EEA followed by at least 3 market participants with market shares exceeding 5%. The rest of the market appears highly fragmented.

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34 Horizontal Merger Guidelines, paragraph 14.

35 The Notifying Party explains that it has only been able to provide estimated market shares for 2022. However, it submits that it has no reason to consider that the 2020 or 2021 shares would be materially different, even when adjusted to include the turnover of any acquisitions made during that period.

36 The Notifying Party has provided value-based market shares as it considers that volume-based market shares would not be an accurate or meaningful reflection of market dynamics given the very wide range of very different products supplied by the Parties. In any event, the Notifying Party considers that volume-based market shares would be consistently very close to the value-based market shares provided in Table 1.

37 Individually below [0-5]%.

5.4. Horizontal non-coordinated effects[38]

5.4.1. Market for the supply of passive coaxial cable telecommunications equipment to carrier networks by distributors in the EEA

5.4.1.1. Notifying Party's views

(39) The Notifying Party submits that the Transaction will not give rise to serious doubts as to its compatibility with the internal market for the following reasons.

(40) First, the Notifying Party submits that the combined market shares of the Parties would be limited, and the increment brought about by the Transaction would be small.

(41) Second, the Notifying Party submits that the market is characterised by the presence of numerous competitors from whom the merged entity would continue to face fierce competition, including from competing distributors.

5.4.1.2. Commission's assessment

(42) The Commission considers that the Transaction does not raise serious doubts as to its compatibility with the internal market in the market for the supply of passive coaxial cable telecommunications equipment to carrier networks by distributors in the EEA due to potential horizontal non-coordinated effects for the following reasons.

(43) First, the Parties' combined market shares remain moderate and, in any event below 30%. More specifically, the Parties' combined market shares of [20-30]% […] the threshold of 25% provided for in paragraph 18 of the Horizontal Merger Guidelines. On this basis, the Commission considers that the Transaction is not liable to impede effective competition as a result of its limited market share.

(44) Second, the Commission considers that after the Transaction, there will remain sufficient suppliers of passive coaxial cable telecommunications equipment to carrier networks by distributors in the EEA such as Sonepar (with [5-10]% market share), FaberKabel (with [5-10]% market share), HTI (GC Gruppe) (with [5-10]% market share), Rexel (with [0-5]% market share) and Lapp Kabel (with [0-5]% market share).[39] Furthermore, the Commission's market investigation has shown that all market participants who expressed a view consider that there are meaningful alternative providers to Netceed and Amadys.[40]

(45) Third, the Commission's market investigation has confirmed that the Parties are not close competitors. More specifically, customers of the Parties who expressed a

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38 The Commission considers that the Transaction does not raise serious doubts as to its compatibility with the internal market due to possible coordinated effects for the following reasons. First, there are many competitors with asymmetric market shares. Second, the customers of the services provided by the Parties have material countervailing buyer power.

39 Notifying Party's response to RFI 5.

40 Responses to questionnaire Q1 to competitors, suppliers and customers, Questions D.2 and E.2.

view do not consider that Netceed and Amadys are usually the final two contenders between which such customer has to arbitrate.[41]

(46) Fourth, the Commission considers that the Transaction will not limit customers' ability to switch or the ability of competitors to expand their activities and/or increase their supplies.

(47) As regards, in particular, the ability of customers to switch suppliers, the Commission's market investigation has shown that all of the Parties' customers and competitors who expressed an opinion consider that customers would be able to quickly, easily and without incurring significant costs, change supplier of passive coaxial cable telecommunications equipment to carrier networks by distributors after the Transaction.[42]

(48) In addition, the Commission's market investigation has shown that both suppliers and customers of passive coaxial cable telecommunications equipment who expressed an opinion believe that the Parties' competitors would be able to expand and increase their services and capacity within a reasonable timeframe.[43] On this basis, the Commission considers that the Transaction will not have a negative impact on the ability of the Parties' competitors to expand their activities and/or increase their suppliers.

(49) Fifth, the Commission considers that the Transaction will not eliminate an important competitive force in the market for the supply of passive coaxial cable telecommunications equipment to carrier networks by distributors in the EEA. The Commission's market investigation unanimously[44] confirmed that neither Netceed nor Amadys have generated any particular innovations in the last five years that would be capable of generating change in the market for the supply of passive coaxial cable telecommunications equipment to carrier networks by distributors in the EEA.[45]

(50) Sixth, the Commission considers that any horizontal non-coordinated effects that could potentially result from the Transaction would be constrained by the countervailing buyer power of customers of passive coaxial cable telecommunications equipment to carrier networks by distributors. The Commission's market investigation has shown that all of the Parties' customers consider that in the event of degradation of the quality of services offered by the merged entity, those customers would be able to immediately switch the entirety of their demand to alternative suppliers.[46] In particular, one customer explained that: "*We're already using other vendors for all of our capacity, and there is generally sufficient capacity in the market to satisfy our demand*" while another customer explains that "*We will shift to the other alternatives, look for the backup suppliers, use alternate contracts for switching*."[47]

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41 Responses to questionnaire Q1 to competitors, suppliers and customers, Question E.3.

42 Responses to questionnaire Q1 to competitors, suppliers and customers, Questions D.4 and E.4.

43 Responses to questionnaire Q1 to competitors, suppliers and customers, Questions D.5 and E.5.

44 In this context, unanimous only includes market participants who expressed a view in the Commission's market investigation.

45 Responses to questionnaire Q1 to competitors, suppliers and customers, Questions D.6 and E.6.

46 Responses to questionnaire Q1 to competitors, suppliers and customers, Question E.7.

47 Responses to questionnaire Q1 to competitors, suppliers and customers, Question E.7.

(51) Finally, all the respondents to the Commission's market investigation who expressed a view consider that the Transaction will have a neutral impact on the market for the supply of passive coaxial cable telecommunications equipment to carrier networks by distributors in the EEA.[48]

5.4.1.3. Conclusion on the market for the supply of passive coaxial cable telecommunications equipment to carrier networks by distributors in the EEA

(52) For the reasons set out above, the Commission considers that the Transaction does not give rise to serious doubts as to its compatibility with the internal market as a result of horizontal non-coordinated effects on the market for the supply of passive coaxial cable telecommunications equipment to carrier networks by distributors in the EEA.

5.4.2. Conclusion of the horizontal assessment

(53) For the reasons set out above, the Commission considers that the Transaction does not give rise to serious doubts as to its compatibility with the internal market as a result of horizontal effects.

6. CONCLUSION

(54) For the above reasons, the European Commission has decided not to oppose the notified operation and to declare it compatible with the internal market and with the EEA Agreement. This decision is adopted in application of Article 6(1)(b) of the Merger Regulation and Article 57 of the EEA Agreement.

For the Commission

(Signed)
Margrethe VESTAGER
Executive Vice-President

[48] Responses to questionnaire Q1 to competitors, suppliers and customers, Questions F.1, F.2 and F.3.