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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 Where possible the information omitted has been replaced by ranges of figures or a general description.

SES S.A.
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Luxembourg

Subject: **Case M.11602 – SES / INTELSAT**
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 29 April 2025, the European Commission ('**Commission**') received notification of a proposed concentration pursuant to Article 4 following a referral pursuant to Article 4(5) of the Merger Regulation by which SES S.A. ('**SES**' or '**Notifying Party**', Luxembourg) intends to acquire sole control of Intelsat Holdings S.à.r.l. ('**Intelsat**', Luxembourg) (the '**Transaction**'). ([3]) SES and Intelsat are collectively 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]) OJ C, C/2025/2725, 8.5.2025.

1. THE PARTIES

(2) **SES** is a publicly listed company headquartered in Luxembourg, which owns and operates a fleet of 43 geostationary Earth orbit ('**GEO**') and 26 medium Earth orbit ('**MEO**') satellites. In addition, SES offers satellite services for a range of use cases.

(3) **Intelsat**, headquartered in Luxembourg and with administrative headquarters in the United States, owns and operates a fleet of 54 GEO satellites. Intelsat also provides satellite services for various use cases.

2. THE CONCENTRATION

(4) The Transaction consists in the acquisition of sole control by SES over Intelsat (currently controlled by Allianz SE (Germany)), pursuant to a share purchase agreement dated 30 April 2024, according to which SES will acquire all the outstanding shares in Intelsat for a total consideration of c. EUR 2.8 billion, in addition to certain contingent value rights. ([4]) Upon closing of the Transaction, Intelsat will be wholly owned by SES.

(5) Therefore, the Transaction constitutes a concentration within the meaning of Article 3(1)(b) of the Merger Regulation.

3. UNION DIMENSION

(6) The Transaction does not have a Union dimension within the meaning of Article 1(2) of the Merger Regulation, because the combined aggregate worldwide turnover of the undertakings concerned does not exceed EUR 5 000 million, and Intelsat's Union-wide turnover does not exceed EUR 250 million. Nor does the Transaction have a Union dimension according to Article 1(3) of the Merger Regulation, because the combined aggregate turnover of the undertakings concerned does not exceed EUR 100 million in each of at least three Member States.

(7) Nonetheless, the Transaction fulfils the two conditions for a referral request set out in Article 4(5) of the Merger Regulation since it is a concentration within the meaning of Article 3 of the Merger Regulation, and it is capable of being reviewed under the national competition laws of at least three Member States. In this case, Cyprus, France and Germany were capable of reviewing the Transaction as it meets their national turnover-based thresholds.

(8) On 18 October 2024, the Notifying Party, by means of a reasoned submission, requested that the Transaction be examined by the Commission pursuant to Article 4(5) of the Merger Regulation. A copy of that submission was transmitted to the Member States on 18 October 2024. The Member States competent to examine the Transaction did not express disagreement to the referral request within the period laid down by the Merger Regulation.

([4]) Contingent value rights holders will receive from SES a contingent cash distribution for future spectrum clearing (which may be imposed by the United States Federal Communications Commission) on a pro rata basis. The amount and timing of any such distribution is contingent upon the occurrence of certain events within seven and one-half years after the closing of the Transaction. Form CO, paras 225-28

(9) Accordingly, the Transaction is deemed to have a Union-dimension pursuant to Article 4(5) of the Merger Regulation.

4. INDUSTRY OVERVIEW

(10) The industry sector on which the Commission has assessed the impact of the Transaction on competition is the satellite communications sector.

(11) Satellites retransmit information/signals from one point to one or more points, thus enabling customers' data to be moved between different points. Both Parties own and operate a diverse fleet of satellites. ([5])

(12) In summary, satellite communications have three main parts: ([6])

(a) Uplink: a signal that is sent to a specific satellite from a user terminal or from a satellite teleport or gateway Earth station.

(b) Transponder: a satellite component that, once it receives the signal, amplifies the signal's strength and alter its frequency before sending it back to a designated Earth station(s); and

(c) Downlink: these are the signals transmitted back to Earth by the satellite to user terminals or satellite teleport or gateway Earth stations.

4.1. The satellite communications supply chain

(13) The supply of satellite communication services involves a variety of players operating at different levels of the supply chain. The satellite communications supply chain comprises the following main levels: ([7])

(a) Satellite Network Operators ('**SNO**s'): companies that own and manage their own satellite fleets. ([8]) SNOs supply satellite capacity for satellite communications ('**satellite capacity**') at the wholesale level ([9]) to Satellite Service Providers ('**SSP**s') and/or resellers (for resale to downstream customers), and/or they use their capacity captively to sell satellite connectivity services directly to end customers (i.e. by acting as a SSP). ([10])

(b) SSPs: companies that assemble packages of satellite connectivity solutions consisting of satellite capacity (either purchased from third-party SNOs or sourced internally in the case of vertically integrated SNOs/SSPs) and related services such as the satellite operator's own Earth stations, equipment (e.g. terminals), or associated services (e.g. invoicing tools, customer support, remote activation of handsets and traffic monitoring) ('**satellite services**'), which they sell to resellers or end-customers.

(c) Value added resellers ('**VAR**s' or '**resellers**'): companies that purchase satellite capacity and/or services from SSPs (including from vertically

([5]) The size and mass of each satellite range from smaller, lighter models to large, high-capacity satellites exceeding 6 000 kg in mass, and are tailored to the specific mission requirements and the technological capabilities available at the time of its construction.

([6]) See https://www.intelsat.com/resources/tools/satellite-101/, visited on 6 June 2025.

([7]) Commission decision of 25 May 2023 in case M.10807 - *Viasat/Inmarsat*, recital 18.

([8]) The leading SNOs have fleets that typically cover most of the world. Regional SNOs have fleets typically covering one or more continents and may rely in part on capacity leased from other SNOs to supply services to different parts of the globe.

([9]) SNOs are therefore active at the upstream level of the economic chain.

([10]) The extent to which SNOs are vertically integrated, i.e., operate at both the wholesale and the retail level, varies between SNOs.

integrated SSPs) and distribute them to end-customers. In some instances, VARs operate as a distribution channel for SSPs. In other instances, VARs provide additional value-added services to end-customers (e.g. installation and maintenance of equipment) and even compete against SSPs.

4.2. The different satellite orbits

(14) When rockets launch satellites, they put them into orbit in space. There, gravity keeps the satellite on its required orbit. Satellite connectivity can be served from satellites orbiting in different orbits.

(15) GEO satellites circle Earth above the equator from west to east following Earth's rotation by travelling at exactly the same rate as Earth. This makes satellites in GEO appear to be 'stationary' over a fixed position on Earth ('**orbital location**'). ([11])

(16) Over time, non-geostationary orbit ('**NGSO**') satellites were launched. Those occupy a range of orbital locations and do not maintain a stationary position, but instead move in relation to the Earth's surface. NGSO satellites include:

(a) The most recently developed NGSOs are low Earth orbit ('**LEO**') satellites. ([12]) On the emergence of LEO operators, see Section 4.6.1;

(b) MEO satellites; ([13]) and

(c) Highly elliptical orbit satellites. ([14])

4.3. The different types of satellites

(17) Satellites can be further divided into:

(a) Traditional ('**wide-beam**') satellites, which deploy a single beam across a wide geographic area; and

(b) High-throughput satellites ('**HTS**'), which deploy multiple narrow spot-beams (instead of a single wide-beam) that re-use the frequency, so that a single satellite can deliver a multiple of the data throughput delivered by wide-beam satellites.

(18) Historically, satellites were GEO wide-beam satellites. However, satellite operators are increasingly shifting away from wide-beam satellites towards HTS because HTS deliver significantly increased capacity when compared to traditional wide-beam satellites. ([15])

([11]) GEO satellites are positioned in an orbit of c. 36 000 kilometres above the Earth's surface.

([12]) LEO satellites are positioned c. 500 – 2 000 kilometres above the ground. Since LEOs orbit closer to the Earth's surface than GEOs, the latency of LEOs is lower. Furthermore, since the satellite footprint decreases in size as the orbit becomes lower, a greater number of LEO (compared to GEO) satellites is required to provide continuous global services: to give constant coverage LEOs often work as part of a large combination or constellation of multiple satellites that sometimes are launched together to create a 'net' around the Earth.

([13]) MEO satellites are positioned c. 2 000 – 36 000 kilometres above the Earth's surface.

([14]) Highly elliptical orbit satellites operate in orbits where the satellite's path around the Earth is shaped like an elongated ellipse rather than a circle, making them ideal for continuous coverage of polar or near-polar regions.

([15]) Commission decision of 25 May 2023 in case M.10807 - *Viasat/Inmarsat*, recital 36; Form CO, paras 83-85.

4.4. The different types of frequencies

(19) Satellite capacity is, depending on the frequency band, typically measured in Megahertz ('**MHz**') or Gigahertz ('**GHz**'), which is a measure of frequency i.e., how many cycles or events occur per second. ([16]) Satellite communications services use different frequencies in the satellite spectrum ([17]) to exchange signals.

(20) Frequency bands are separated into two categories:

(a) Lower frequency bands, e.g. L-band (1-2 GHz') or S-band (2-4 GHz), which have less bandwidth and are, therefore, less suitable for data-intensive applications but are viewed as more reliable and, thus, more suitable for critical applications ('**narrowband**').

(b) Higher frequency bands, e.g. Ku-band (12-18 GHz) or Ka-band (26-40 GHz), which have more bandwidth and, therefore, offer greater communications capacity but are more susceptible to signal interference, including degradation owing to 'rain fade' ('**broadband**'). The Parties also consider the C-band (4.0-8.0 GHz) and the X-band (8.0-12.0 GHz) to be broadband frequencies, as they share similar qualities with regards to bandwidth and throughput. ([18])

(21) While there is an EU regulatory framework, broadcasting is not technically harmonized at the EU level. ([19]) The use of frequency bands is allocated and decided worldwide at the International Telecommunication Union ('**ITU**' ([20]))'s World Radio Conference ('**WRC**'), which takes place every four or five years. ([21]) The ITU WRC allocation does not concern how much (volume) capacity is used by satellite operators, but rather whether a particular communication service can be used in a specific radio frequency band and under which conditions so that

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([16]) 1 MHz = 1 million cycles per second; 1 GHz = 1 billion cycles per second.

([17]) Terrestrial spectrum refers to the radio frequencies assigned for ground-based transmission systems: Signals are transmitted from towers or antennas on the Earth's surface and the coverage is geographically limited, depending on terrain, transmitter power, and antenna placement. On the other hand, satellite spectrum refers to radio frequencies assigned to satellite communication i.e., transmissions between Earth stations and orbiting satellites, and frequencies can be higher than terrestrial.

([18]) Form CO, para. 98. Intelsat, video 'Battle of the Bands | Satellite 101 - Episode 6', available at: https://www.youtube.com/watch?v=A-H2NyDKU24&list=PLg54kU_Rt7fWZSz0idIfJBDS_PGB6R_7S&index=6, visited on 6 June 2025.

([19]) Directive 2018/1972 of 11 December 2018 establishing the European Electronic Communications Code, OJ L 321 17.12.2018, p. 36, defines '*harmonised radio spectrum*' '*for which harmonised conditions relating to its availability and efficient use have been established by way of technical implementing measures in accordance with Article 4 of Decision No 676/2002/EC [on a regulatory framework for radio spectrum policy in the EU (Radio Spectrum Decision)]*', and there is a special procedure described in such Radio Spectrum Decision for the Commission to adopt a so called implementing decision. No such implementing decision exists in the case of spectrum used for broadcasting, whether satellite or terrestrial (for the latter, there is a so-called UHF decision, which preserves the sub-700 MHz band for the terrestrial broadcasting).

([20]) The ITU is the United Nations specialised agency for telecommunications.

([21]) While the ITU sets the global framework, national regulators (like the FCC in the U.S. or BNetzA (Federal Network Agency) in Germany) decide how to implement these allocations within their own countries. At the WRC, a predefined subset of ITU Radio Regulations ('**RRs**') is reviewed and, if deemed necessary, revised. The ITU RRs are an international treaty between ITU Member States, which are binding under international law.

it cannot cause harmful interference in that band and in the adjacent bands. This allocation can be used for any kind of satellite communications. ([22])

4.5. The different end uses of satellite communications

(22) Satellite communications are used for end uses in different industry sectors. Those end uses or industry sectors primarily include:

(a) Broadcasting (i.e., the distribution of audio or video content from a single source to many recipients) like satellite television or satellite radio ('**media purposes**' or '**media**');

(b) Data communications between fixed points/terminals/antennas (e.g., satellite mobile backhaul, trunking, internet access and enterprise connectivity) ('**fixed data**'); ([23])

(c) Connectivity for government customers for both military and commercial applications ('**government**');

(d) Connectivity for maritime customers ('**maritime**'); and

(e) Connectivity for aviation customers ('**aviation**').

(23) Satellite communications used for media purposes are called **one-way** satellite communications. Satellite capacity that uses radio frequency spectrum that is allocated for the Broadcasting Satellite Services ('**BSS**'), is used to distribute the same signal (e.g., television or radio content) over a large area, whether

(a) For direct-to-home ('**DTH**') reception, which can also be free-to-air ('**FTA**') when the satellite capacity is provided to ad-supported content providers that want their content to reach a large population of viewers free of charge with inexpensive dishes pointed at the satellite operator's satellite; or

(b) Reception at a terrestrial broadcast station or cable system for re-transmission ('**cable**').

(24) Conversely, **two-way** satellite communications allow end-to-end exchanges of voice and data among two or more terminals. Satellite capacity that uses radio frequency spectrum that is allocated for the Fixed Satellite Services ('**FSS**'), is the most common mode of communication for fixed data, government, maritime and aviation connectivity. ([24])

4.6. Competitive dynamics and trends

(25) The satellite sector is undergoing a period of change characterised by the emergence of new players, as well as the emergence of alternative technologies to satellite connectivity.

([22]) Notifying Party's response to Commission's RFI 12, question 3, paras 3.3-3.6.

([23]) Fixed data (i.e., connectivity between fixed points/terminals/antennas) encompass mobile telecommunications/data as the signal is sent via the satellite from/to terminals/antennas located at a 'fixed' point on the Earth.

([24]) Commission decision of 25 May 2023 in case M.10807 – *Viasat/Inmarsat*, recitals 24-25; Form CO, paras 68-69.

4.6.1. Emergence of LEO operators

(26) In recent years, several new entrant LEO satellite operators have launched or are expected to continue to launch large-scale LEO constellations comprised of HTS satellites. Such players include: ([25])

(a) SpaceX's Starlink, which is reported to have c. 7 000 operational satellites at the time of this Decision and plans to launch c. 42 000 additional satellites; ([26])

(b) Eutelsat's OneWeb, which was formed through the combination of Eutelsat and OneWeb in 2023, becoming an integrated GEO-LEO satellite operator with a fleet of 35 GEO satellites and a LEO constellation of more than 600 satellites; ([27])

(c) Telesat's Lightspeed, which are c. 200 LEO satellites; ([28])

(d) Amazon's Project Kuiper, with plans to launch c. 3 200 satellites; ([29])

(e) Others, including Chinese constellations.

(27) According to the Parties, demand for satellite capacity is projected to grow significantly both globally and in Europe within the next couple of years. Within the period 2022-32, the Parties expect, based on third party reports, an average annual growth rate of 33% globally and of 28.6% in Europe. ([30]) On a global level, the Parties submit that demand will grow from 2 700 Gbps in 2022 by more than 17-times to 46 700 Gbps in 2032. ([31])

(28) Correspondingly, in particular the entry of LEO HTS constellations has led to an increase in available satellite capacity. The Parties estimate, based on an analysis of data in a third-party report ([32]), that global capacity supply is projected to grow more than 13 times from 44 488 Gbps in 2022 to 586 287 Gbps in 2032. Most of this growth is expected to come from NGSO constellations, which already provided 91.8% of the satellite capacity in 2022 and are projected to constitute around 95% of global satellite capacity supply from 2028 onwards. GEO wide-beam satellites are estimated to decrease, whereas GEO HTS satellite capacity will increase. Overall, based on the data submitted by the Parties, GEO satellites provided a total capacity of 3 650 Gbps in 2022 and are expected to grow by about 8 times in capacity until 2032 to 29 300 Gbps. ([33])

([25]) Form CO, paras 30, 646-59. See also International Telecommunication Union, 'Authorization and Supervision of Large Constellations', February 2025, available at: https://www.itu.int/space-connect/wp-content/uploads/sites/66/2025/02/Ruth_ITU-space-connect-LEO-constellations-Feb-2025.pdf, visited on 6 June 2025.

([26]) https://www.space.com/spacex-starlink-satellites.html; https://spacenews.com/spacex-submits-paperwork-for-30000-more-starlink-satellites/, visited on 6 June 2025.

([27]) https://www.eutelsat.com/files/PDF/investors/PR_Q3_2024-25vDef.pdf, visited on 6 June 2025.

([28]) https://www.telesat.com/leo-satellites/, visited on 6 June 2025.

([29]) https://www.aboutamazon.com/news/innovation-at-amazon/what-is-amazon-project-kuiper, visited on 6 June 2025.

([30]) Form CO, para. 1583.

([31]) Form CO, para. 1587.

([32]) Analysys Mason report on 'Satellite Capacity Supply & Demand', 20th edition, 6 June 2023.

([33]) Form CO, para. 754.

(29) While neither of the Parties has LEO satellites, both SES and Intelsat have already independently begun pursuing 'multi-orbit strategies' to compete with NGSOs. ([34])

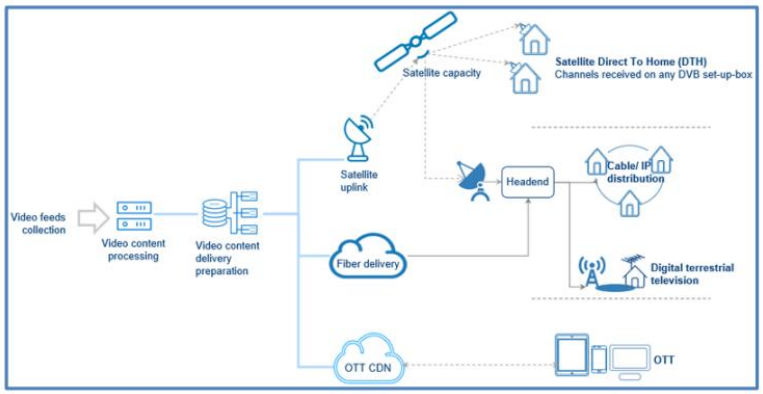
4.6.2. Modern terrestrial alternatives to satellite media distribution

(30) Terrestrial and satellite broadcasting coexist. ([35]) Media companies have a range of distribution methods to choose from, ranging from traditional broadcast, cable, and satellite distribution to Internet-based streaming and on-demand services. ([36]) Beyond traditional broadcast towers or cable TV networks, terrestrial alternatives to satellite distribution today also include Internet Protocol ('**IP**')-based terrestrial distribution, ([37]) as reflected below in Figure 1:

(a) OTT (over-the-top) distribution method i.e., the delivery of media content over the Internet, bypassing traditional cable, broadcast, and satellite TV platforms; ([38]) and/or

(b) Fibre technology i.e., a type of internet infrastructure that uses fibre-optic cables to deliver very high-speed internet.

Figure 1: Depiction of video distribution via different technologies



Source: Eutelsat, A Guide to TV distribution models, available at https://prod.eutelsat.com/en/blog/what-are-tv-distribution-models.html

(31) For OTT, the content is streamed via IP using standard broadband connections. It can be accessed on smartphones, smart TVs, tablets, and computers. The examples include Netflix, YouTube, Hulu, Disney+, Amazon Prime Video. Such OTT streaming services can be accessed using any broadband Internet connection, which, in turn, can be supplied by either

([34]) Form CO, para. 34. SES has combined its MEO/GEO offerings and both Parties now have commercial relationships in the form of partnerships with LEO operators (e.g., Intelsat has partnerships with both SpaceX's Starlink and Eutelsat's OneWeb; SES has a partnership with Starlink).

([35]) Terrestrial broadcasting (using radio towers and antennas) predates satellite broadcasting, which was introduced to extend coverage to areas where terrestrial networks could not reach effectively (remote or rural areas, large countries, oceans). With the rollout of digital terrestrial networks (i.e. the evolution of traditional or analogue signals), terrestrial became an alternative to satellite, especially in urban and suburban areas, thanks to lower cost and ease of access.

([36]) Form CO, para. 987.

([37]) IP is the language computers use to send and receive data across networks. It breaks data into packets, addresses them, and routes them to their destination. It is essential for the internet, streaming, local networks, IP-based television, and more.

([38]) The infrastructure that accelerates and scales OTT delivery is content delivery network ('**CDN**'), as mentioned in Figure 1.

(a) Terrestrial means: (i) a digital subscriber line ('**DSL**') through copper phone lines; (ii) cable modem via coaxial cable TV lines; (iii) 5G wireless technology using cell towers and small cells to transmit data via radio frequencies; or (iv) fibre via thin glass fibres (see paragraph (32)); or

(b) Satellite: for example (i) the Parties, (ii) GEO/MEO competitors such as Eutelsat's Konnect; or (iii) LEO satellites such as LEOs such as Starlink.

(32) Fibre allows for faster and more reliable internet (and thus OTT services) compared to e.g. DSL or cable. The Report on the state of the Digital Decade 2024 presents the EU's progress towards achieving the agreed objectives and targets for a successful digital transformation for people, businesses, and the environment, as set out in the Commission's decision establishing the Digital Decade policy programme 2030. ([39]) Fibre covered 64% of EU households in 2023 and is expected to reach 89.5% by the end of the projection period along the 'business as usual' scenario. ([40]) The Digital Economy and Society Index (DESI) shows the fibre penetration in each Member State. ([41])

(33) In line with the two above-mentioned trends, a third-party report shows: ([42]) […].

(34) IP enables not only OTT but also IP-based television ('**IPTV**'), ([43]) as opposed to Linear TV (characterized by scheduled programming delivered via traditional broadcast or cable). Linear and IPTV are experiencing divergent trends. A third-party report confirms how major content and application providers such as Netflix, etc., are increasingly integrating into traditional TV environments. This includes their development of catch-up and on-demand services, which are reshaping the competitive landscape for linear TV and IPTV. ([44])

5. RELEVANT MARKETS

5.1. Introduction

(35) The Parties are both satellite operators who own and operate GEO satellites. SES also operates a constellation of MEO satellites. ([45])

(36) The Parties' activities consist of the supply of satellite capacity and satellite services. ([46]) The markets related to each of these activities are described below.

([39]) Communication from the Commission 'State of Digital Decade 2024' (main report), available at: https://digital-strategy.ec.europa.eu/en/library/report-state-digital-decade-2024, visited on 6 June 2025.

([40]) Annex 2 'Update of the EU-level projected trajectories for the digital targets', available at: https://ec.europa.eu/newsroom/dae/redirection/document/106689, visited on 6 June 2025.

([41]) https://digital-decade-desi.digital-strategy.ec.europa.eu/datasets/desi/charts, visited on 6 June 2025.

([42]) Novaspace (former Euroconsult), Report on 'Satellite Connectivity and Video Market', 30th edition, September 2023, slides 70 and 72, in Annex 32 to the Form CO.

([43]) IPTV delivers TV content over a private, managed IP network (not the open internet as OTT), usually the network of your Internet Service Provider or ISP (not an independent content provider as OTT). IPTV is commonly delivered over fibre.

([44]) Body of European Regulators for Electronic Communications (BEREC), 'Report on the entry of large content and application providers into the markets for electronic communications networks and services', 3 October 2024, available at: https://www.berec.europa.eu/system/files/2024-10/BoR%20%2824%29%20139_BEREC%20Report%20on%20the%20entry%20of%20large%20CAPs%20in%20ECS-ECN_0.pdf, visited on 6 June 2025.

([45]) Form CO, para. 60.

([46]) Form CO, paras 2, 14.

5.2. Market for the supply of satellite capacity

5.2.1. The Parties' activities

(37) Both Parties are vertically integrated SNO/SSP players (paragraph (13)) ([47])

(38) Both Parties supply satellite capacity for one-way satellite communications and two-way satellite communications (paragraphs (23) and (24)). ([48])

(39) Both Parties supply satellite capacity for different industries and/or end uses (paragraph (22)), even though the Parties are not always at the same levels of the value chain: ([49])

(a) For media, both Parties offer to broadcasters and Pay-TV operators (i.e., not the viewers) DTH-pay distribution, FTA distribution and cable services (paragraph (23)) ([50]), mainly from wide-beam satellites (only Intelsat uses an HTS satellite) (paragraph (17)). ([51]) The Parties do not share the same geographic focus: Intelsat is less present in Europe and the scope of the customers served by SES is broader than the scope of customers served by Intelsat;

(b) For fixed data, both Parties provide satellite capacity and satellite services to SSPs and end-customers (e.g., mobile network operators); ([52])

(c) For government, both Parties provide satellite capacity and satellite services to SSPs and end-customers;

(d) For maritime, both Parties provide satellite capacity to SSPs; in addition, SES (but not Intelsat) contracts directly with end customers for the provision of satellite capacity and satellite services; ([53])

(e) For aviation, both Parties provide satellite capacity to SSPs; in addition, Intelsat (but not SES) contracts directly with end customers for the provision of satellite services. ([54])

(40) The Parties' satellites are at different orbital locations (paragraph (15)): the Parties' orbital locations do not overlap. SES's satellites are in the same orbital location as its competitor Eutelsat at 28.2°/28.5° East ([55]) ([56]), whereas Intelsat's

([47]) Form CO, para. 67.
([48]) Form CO, para. 74.
([49]) Form CO, para. 17.
([50]) Form CO, para. 140. The vast majority of the satellite capacity provided by the Parties within the Media segment in Europe is used for one-way satellite communications services, linear content 'distribution' (e.g., DTH, broadcast or cable feeds) or for media 'contribution' (e.g., live news or sports coverage). Form CO, para. 138. This Decision focuses on media distribution and not on media contribution, as explained in footnote 334.
([51]) Notifying Party's response of 28 May 2025 to RFI 13, para. 1.4.
([52]) Form CO, para. 128.
([53]) Form CO, para. 173.
([54]) Form CO, para. 161.
([55]) In 2023, SES's ASTRA 5B (now renamed ASTRA 3C) satellite was moved from 31.5° East to 23.5° East, and the shared orbital position for SES and Eutelsat is at 28.2°/28.5° East. Notifying Party's response of 23 May 2025 to Commission's request for information ('**RFI**') 11, question 9, paras 9.1, 9.6.
([56]) For completeness, SES currently still leases transponders on […] until […] (the non-renewal was a decision taken irrespective of the Transaction due the loss of the […] that switched […]) . Form CO, paras 493-97.

satellites are in the same orbital location as competitor Space Norway (former Telenor) at 1° West. ([57])

(41) Both Parties' satellites use broadband frequencies. Neither Party owns satellites operating narrowband frequencies (paragraph (20)). ([58])

(42) Both Parties operate GEO satellites. SES has a fleet of 43 GEO satellites, as well as 26 MEO satellites (paragraph (16)). Intelsat has a fleet of 54 GEO satellites, but no MEO satellites. None of the Parties have LEO satellites. ([59])

(43) Both Parties own and operate wide-beam and HTS satellites (paragraph (17)). ([60])

(44) Both Parties operate satellites across the C-, Ku- and Ka-band frequencies (paragraph (20)(b)) globally. Intelsat has a greater presence in C-band, ([61]) while SES's activities in this band are more limited (particularly in Europe). ([62]) Further, Intelsat does not provide satellite capacity via the Ka-band in Europe. ([63]) Finally, for one-way satellite capacity for media purposes in Europe in 2024, […].([64])

5.2.2. Product market definition

5.2.2.1. Commission's precedents

(45) First, the Commission in its recent decision *Viasat/Inmarsat* considered that the market for satellite communication services could be segmented based on the level of the supply chain, i.e., distinguishing between SNOs, SSPs and VARs, and that therefore there exists a separate market for the supply of satellite capacity by SNOs. ([65])

(46) Second, the Commission in its previous decisions found that one-way and two-way satellite communications are not part of the same product market. ([66])

(47) Third, the Commission considered, but ultimately left open, whether the market for 'satellite transponder capacity' could be further segmented between satellite

([57]) [Details about the Parties' leases].
([58]) Form CO, para. 99.
([59]) Form CO, paras 15, 81-82.
([60]) Form CO, para. 81.
([61]) Intelsat operates a fleet of 54 GEO satellites utilising C-, Ku- and/or Ka- bands. Form CO, para. 4.
([62]) SES has a fleet of 43 GEO satellites primarily operating in the C-, Ku- and/or Ka-band frequencies. One of SES's satellites also operates in the X-band frequencies as part of a joint venture with the Government of Luxembourg. SES also operates a constellation of 26 Ka-band MEO satellites. SES's satellite map is available at: https://www.ses.com/our-coverage#/, visited on 6 June 2025. Form CO, para. 3.
([63]) Form CO, para. 100.
([64]) Notifying Party's response of 27 May 2025 to Commission's RFI 11, para. 2.4.
([65]) Commission decision of 25 May 2023 in case M.10807 - *Viasat/Inmarsat*, recitals 59, 69 (which in turn refers to Commission decisions of 30 November 2011 in case M.6393 - *Astrium Holding/Vizada Group*, para. 22 and of 20 August 2007 in case M.4709 - *Apax Partners/Telenor Satellite Services*, paras 9, 14-15). The Commission in *Viasat/Inmarsat* did not consider supply-side substitutability at the stage of market definition for satellite capacity because '*it is not possible to adjust the supply of satellite capacity once a satellite has been launched, and therefore cannot be effected immediately or without significant adjustment to assets. Further, launching satellites requires years of planning and significant levels of investment*'.
([66]) Commission decisions of 30 November 2011 in case M.6393 - *Astrium Holding/Vizada Group,* paras 8-9; and of 20 August 2007 in case M.4709 - *Apax Partners/Telenor Satellite Services*, para. 8. See also Commission decision of 25 May 2023 in case M.10807 - *Viasat/Inmarsat*, recital 103 and footnote 92: the buyer in that case was not active in one-way satellite communications and therefore the Commission clarified that any reference to one-way communications should be understood as referring to two-way satellite communications in that decision.

capacity used for broadcasting (or the distribution of TV signals) and other telecommunication services (such as telephony or data services). ([67])

(48) Fourth, the Commission indicated that the market for the supply of satellite capacity should likely be segmented between broadband and narrowband satellite capacity because '*a majority of market participants (both GEO and LEO SNOs) considering that those products were not substitutable because of different product characteristics and intended use on the demand-side*', but ultimately left the market definition open. ([68])

(49) Fifth, the Commission considered the segmentation between GEO and NGSO/LEO satellite capacity but left the market definition open because, while '*a majority of market participants considered the market should not be segmented between GEO and NGSO/LEO satellite capacity*', '*most market participants noted that there are some product characteristic differences between GEO and NGSO/LEO satellite capacity (e.g. latency, reliability, and price)*'. ([69])

(50) Sixth, the Commission considered the segmentation between HTS and non-HTS (wide-beam) satellite capacity but left the market definition open because '*the results of the market investigation were mixed […] Market participants indicated that these potential segmentations were substitutable in some instances and not substitutable in other instances*'. ([70])

(51) Seventh, the Commission considered the segmentation based on individual frequency bands, i.e., between Ka-band and Ku-band, but left the market definition open because '*the market investigation also provided mixed results […] The majority of market participants indicated that in some instances Ka-band and Ku-band satellite capacity are substitutable, but not in other instances*'. ([71])

(52) Eighth, the Commission considered, but ultimately left open, whether the market for satellite transponder capacity could be further segmented between different orbital locations because '*while the majority of respondents confirmed that switching is a difficult, lengthy and costly process for TV distributors, which requires the repointing of customers' satellite dishes, they also provided several past switching examples between satellite operators in Europe*'. ([72])

(53) Ninth, the Commission has not considered in its previous decisions a possible segmentation of the market for the supply of satellite capacity for media purposes by form of distribution, namely DTH, FTA or cable.

([67]) Commission decision of 30 April 2020 in case M.9604 - *NENT/Telenor/ JV*, paras 66, 69, 73, 75. In that decision the Commission used the wording 'satellite transponder capacity' (as noted above, the function of a satellite transponder is to receive the signal from the uplink, translate the signal in frequency and amplify the signal before routing the signal to a downlink antenna). While the Commission, in its decision of 25 May 2023 in case M.10807 - *Viasat/Inmarsat*, considered that the satellite capacity market should not be segmented based on the downstream end-use/industry segment (e.g. aviation, maritime, land) for which the satellite capacity is intended or used, as satellite capacity is fungible, that decision concerned only two-way communications (as opposed to one-way communications), as noted above (footnote 66).

([68]) Commission decision of 25 May 2023 in case M.10807 - *Viasat/Inmarsat*, recitals 54, 72, 77. In that case the Parties did not overlap with respect to the provision of narrowband satellite capacity, as the buyer did not operate any narrowband satellites.

([69]) Commission decision of 25 May 2023 in case M.10807 - *Viasat/Inmarsat*, recitals 74, 77.

([70]) Commission decision of 25 May 2023 in case M.10807 - *Viasat/Inmarsat*, recitals 36-37, 75, 77.

([71]) Commission decision of 25 May 2023 in case M.10807 - *Viasat/Inmarsat*, recitals 76- 77.

([72]) Commission decision of 30 April 2020 in case M.9604 – NENT / Telenor / JV, paras 74, 77.

5.2.2.2. Notifying Party's views

(54) First, the Notifying Party submits that for assessing the Transaction the appropriate relevant product market is the overall market for the supply of satellite capacity with no sub-segmentation by industry segment, one- and two-way communications, orbit type, satellite type, or frequency band. ([73])

(55) Second, the Notifying Party submits that the supply of satellite capacity should not be sub-segmented by:

(a) Industry segment (e.g., aviation, government etc.) because satellite capacity is fungible across the different industry segments. According to the Notifying Party, satellite capacity is a commodity product that is used by end customers or SSPs for different applications across all industry segments, and customers are not treated differently across the various industries; ([74]) or

(b) One-way or two-way satellite communications, because: (i) satellite capacity is fungible and any 'one-way' or 'two-way' characterization relates to its usage; ([75]) (ii) the two types of spectrum, FSS and BSS, are interchangeable; ([76]) (iii) most satellites can be used interchangeably for two-way and one-way satellite communications. ([77])

(56) According to the Notifying Party, segmenting the market into one-way and two-way satellite communications is broadly analogous to segmenting the market into satellite capacity supplied in the media segment and satellite capacity supplied to non-media customers. As such, the same arguments set out above against the segmentation of satellite capacity by industry segment (paragraph (55)(a)) apply equally to the segmentation of satellite capacity by one-way or two-way satellite communications (paragraph (55)(b)).

(57) Third, as regards specifically the media industry (described in paragraph (22)(a)), the Notifying Party acknowledges that it has unique features such as '*the ability to identify customers in the Media segment based on their requirements*', '*wide-beam satellites may be well suited for media distribution applications*' and '*an additional horizontal / spatial differentiation factor […]: orbital location and the number of consumer antennas pointed at that orbital location*'. ([78])

(58) Fourth, the Notifying Party does not consider it necessary to provide a definitive view in relation to potential segmentation in respect of narrowband satellite capacity versus broadband satellite capacity, given that the Parties do not supply

([73]) Form CO, paras 381, 385, 473, 530.
([74]) Form CO, paras 395-406. Notifying Party's response of 14 May 2025 to Commission's RFI 10, paras 8.1-8.6.
([75]) Form CO, paras 450, 456.
([76]) Form CO, Section 8.2, paras 454, 457. According to the Notifying Party, satellite capacity that uses BSS is used to provide the 'forward' link (for downloads to the user) in a two-way data communications network if paired with corresponding FSS spectrum for the 'return' link (for uploads from the user). The Notifying Party's response of 23 May 2025 to Commission's RFI 11, para. 1.3 acknowledges that '*BSS spectrum is not assigned to provide two-way satellite communication in isolation*'.
([77]) Form CO, Section 8.2, paras 450, 459. According to the Notifying Party, the Parties do not have visibility as to whether satellite capacity of competing operators is used for one-way or two-way communications.
([78]) Form CO, Section 8.2, paras 403, 423, 428, 515-16.

satellite capacity that the Commission considers to be 'narrowband' (paragraph (41)) and there is therefore no overlap in this regard. ([79])

(59) Fifth, the Notifying Party submits that it is not appropriate to distinguish between GEO versus NGSO/LEO satellite capacity because: (i) the Parties compete with LEO satellite operators at each level of the supply chain and each of the industry segments; ([80]) and (ii) NGSO satellite capacity is largely replacing GEO satellite capacity as there has been substitution by customers away from GEO satellites to NGSO (and in particular, LEO) satellites. ([81]) In addition, the satellite communications industry is in the process of shifting towards a '*frequency- and hardware-agnostic environment*', and customers are increasingly looking towards multi-band and multi-orbit solutions. ([82])

(60) Sixth, the Notifying Party submits that HTS and wide-beam satellite capacity are substitutable, ([83]) because: (i) SNOs are increasingly shifting away from wide-beam satellites towards HTS, as HTS satellites cost less and have a much higher volume of capacity, making them more attractive for most industry segments; ([84]) and (ii) while wide-beam satellites remain a customer preference for media purposes, HTS satellites can also be used in the media sector, which is constrained by IP-based terrestrial distribution described in paragraph (30). ([85])

(61) Seventh, the Notifying Party submits that a sub-segmentation of the supply of satellite capacity by frequency band is not warranted because: (i) there is a high degree of demand side-substitutability across the individual frequency bands. Customers often procure satellite capacity across all frequency bands. Also, multi-band solutions are being increasingly employed with multiple vendors procuring tri-band antennas capable of operating in the C-, Ka- and Ku-bands; ([86]) (ii) in the media segment, both the C-band (most commonly used outside of Europe for the delivery of cable TV programming to cable headends) and the Ku-band (most commonly used in Europe for DTH satellite television services to customers such as Sky or Canal+) ([87]) are used for media distribution; and (iii) there are very limited exceptions to substitutability such as the most common use of Ku-band in Europe or the use of certain bans for military applications. ([88])

([79]) Form CO, para. 391.
([80]) Form CO, para. 412.
([81]) Form CO, para. 418.
([82]) Form CO, paras 412-14.
([83]) Form CO, para. 421.
([84]) Form CO, para. 422.
([85]) Form CO, paras 423-34. Notifying Party's response of 28 May 2025 to RFI 13, para. 1.3., submits that it would not be appropriate to consider a separate segment for HTS-only satellites in the media segment, as HTS satellites account for only a small proportion of media transmissions in Europe (at most 4%).
([86]) According to the Notifying Party, fixed data and government customers procure satellite capacity across all frequency bands. While C-band is not used for practical reasons for commercial aviation application, no for satellite distribution via FTA or DTH, other customers in the mobility segment (for example, cruise customers and maritime service providers) routinely request satellite capacity across frequency bands. Form CO, para. 436.
([87]) Form CO, para. 139. The Notifying Party has provided Lyngsat data showing the shares of Ku-band transmissions in Europe from 2021-2024 for each distribution method: these shares range from 96.9% for FTA in 2022 up to 100% for DTH in 2022 to 2024. According to the Notifying Party, any market shares for Ku-band would not materially differ from the other market shares for the supply of one-way satellite capacity across all frequency bands. Notifying Party's response of 27 May 2025 to the Commission RFI 11, question 2, paras 2.1., 2.2.
([88]) Form CO, paras 435-45.

(62) Eighth, the Notifying Party did not consider a possible segment based on different orbital locations. ([89])

(63) Ninth, as regards a potential market for the supply of satellite capacity for media applications, the Notifying Party does not consider it appropriate to segment such potential market by form of distribution, namely DTH, FTA or cable, because a satellite operator would be generally able to supply satellite capacity for any of the other distribution types. ([90])

5.2.2.3. Commission's assessment

(64) In line with its previous practice (paragraph (45)) as well as the Notifying Party's views (paragraph (54)), the Commission took as a starting point for its assessment a separate market for the supply of satellite capacity. The market investigation has not revealed any reasons to deviate from its precedents in which it defined a distinct market for the supply of satellite capacity. ([91])

i. Segmentation between one-way and two-way satellite capacity

(65) Segmenting the market into one-way and two-way satellite communications is broadly analogous to segmenting the market into satellite capacity supplied for media purposes and satellite capacity supplied for other industries (as the Notifying Party acknowledges, as noted in paragraph (56)).

(66) Against this background, the Commission in the market investigation tested whether the market for the supply of satellite capacity should be segmented between one-way satellite communications for media purposes and two-way satellite communications used in other industries, namely aviation, maritime, fixed data and government.

(67) The vast majority of respondents having expressed a view submitted that the distinction between one-way and two-way satellite capacity is still relevant today. ([92])

(68) From a demand-side perspective, for example, one customer submitted that '*one-way satellite capacity is specifically designed for media broadcasting with different technical requirements, pricing structures, and usage patterns compared to two-way capacity, which is intended for interactive services like internet access*'. Another respondent submitted that '*one-way traffic uses different codecs, protocols, methods and serves different purposes compared to two-way traffic. One-way traffic is about one-to-many broadcasting with high capacity and high reliability streams. As such, there are other pricing and business models, other service level agreements and different reliability standards have to be met*'.

(69) From a supply-side perspective, for example, one respondent submitted that '*one-way satellite capacity supports broadcast-like, point-to-multipoint distribution (e.g., linear traditional broadcast TV, radio), where interaction or uplink*

([89]) Notifying Party's response of 27 May 2025 to Commission's RFI 12, question 1. According to the Notifying Party, there would be no overlap between the Parties in case of a possible segmentation based on orbital location for the supply of satellite capacity in the media segment in Europe, as SES only has one shared orbital position (with Eutelsat at 28.2°/28.5° East) and Intelsat also only has one shared orbital position at a different location (with Space Norway at 1° West).

([90]) Form CO, para. 452.

([91]) Replies to Q1 - Questionnaire on one-way satellite capacity (media) to customers and competitors ('**Q1 (Media)**'), and Q2 - Questionnaire on two-way satellite capacity to customers and competitors ('**Q2 (Two-way capacity)**').

([92]) Replies to Q1 (Media), question C.A.A.1; and Q2 (Two-way capacity), question C.A.1.

capability is unnecessary. In contrast, two-way satellite capacity enables interactive, bidirectional communication essential for broadband internet, cloud applications, and enterprise connectivity'. One competitor submitted that, while '*SNO can easily make available [satellite capacity] for different customers or services*', '*the big impact of this change is related to the user equipment, terminals and field services since the use of this capacity will suppose to buy, deploy an* [sic] *install a* [sic] *new terminals. One-way and two-way services use different ground segment infrastructure and user terminals*'. ([93])

(70) In addition, the market investigation confirmed that the supply of one-way satellite capacity for media purposes is a separate market from the supply of two-way satellite capacity for other industries, such as aviation, maritime, government, and fixed data.

(71) From a demand-side perspective, the Commission's market investigation tested whether the one-way satellite capacity for media purposes is substitutable or interchangeable with the two-way satellite capacity for other industries/end-uses (for example, aviation, maritime, government, fixed data), based on their product characteristics, prices and intended use. The majority of respondents having expressed a view excluded such substitutability. ([94])

(72) For example, one customer submitted that '*the applications and objectives are different[:] on the one hand, there are the efficient and mass-capable DTH distribution of high-quality linear TV services and media content (one-way) [and], on the other hand, the individual commercial data and Internet services based on unicast connections (two-way)*'. One competitor submitted that '*this distinction is visible across several dimensions: - Satellite technology: geostationary wide-beam satellites for one-way vs geostationary or non-geostationary high-throughput (mostly) satellites for two-way - Customers of satellite capacity: media broadcasters for one-way (mostly) vs satellite services providers, telecommunication operators, government/defence agencies and broadband Internet end-users for two-way - User terminals: traditional one-way parabolic antennas for one-way vs more complex and more expensive terminals able to transmit and receive for two-way*'.

(73) From a supply-side perspective, the Commission's market investigation tested whether SNOs can switch easily and quickly between the supply of two-way satellite capacity for other industries/end-uses (for example, aviation, maritime, government, fixed data) to the supply of one-way satellite capacity for media purposes. The majority of respondents having expressed a view excluded such switching possibility. ([95])

(74) For example, one competitor submitted that '*the big impact of this change is related to the user equipment, terminals and field services since the use of this capacity will supposed to buy, deploy an* [sic] *install a* [sic]*new terminals. One-way and two-way services use different ground segment infrastructure and user terminals. Moreover, typical GEO one-way satellite capacity is wide-beam which is less efficient for two-ways broadband applications compared to new HTS and LEO services which make GEO wide-beam capacity less competitive in terms of pricing for these two-way applications*'; another competitor submitted that '*two instances of one-way communications cannot replace one instsance* [sic] *of a two-*

([93]) Replies to Q2 (Two-way capacity), question C.A.2.1.
([94]) Replies to Q1 (Media), question C.A.A.2.
([95]) Replies to Q1 (Media), question C.A.A.9; and Q2 (Two-way capacity), question C.A.2.

way communications system in a practical, commercially viable manner due to spectrum limitations, up-link lisences [sic]*, equipment compitability and equipment availability and transponder characterisitcs* [sic]*(EIRP, G/T, bandwidth, etc)'*; another competitor submitted that its '*internal organization reflects this distinction, with two separate business units, one dedicated to video applications (one-way) and the other to connectivity applications (two-way)*'. Another respondent submitted that '*switching between these services involves significant technical, operational, and regulatory barriers, confirming that they remain separate and non-substitutable markets*'.

(75) In light of the above, the Commission considers that separate relevant product markets exist for the supply of one-way satellite capacity used for media purposes, on the one hand, and the supply two-way satellite capacity used in other non-media industries (such as aviation, maritime, government and fixed data), on the other hand.

ii. Segmentation between broadband and narrowband satellite capacity

(76) The market investigation confirmed that broadband and narrowband ([96]) one-way satellite capacity used for media purposes, as well as broadband and narrowband two-way satellite capacity used in other non-media industries, do not belong to the same market.

(77) From a demand-side perspective, the vast majority of respondents excluded that broadband satellite capacity is substitutable with narrowband satellite capacity, based on product characteristics, prices and intended uses. ([97])

(78) From a supply-side perspective, the majority of SNOs that expressed a view excluded that SNOs could switch easily from supplying broadband satellite capacity to supplying narrowband satellite capacity in short time and without incurring significant costs. ([98])

(79) In any event, for the purposes of this Decision the market definition can remain open as concerns the segmentation between broadband and narrowband, as neither of the Parties supply narrowband capacity (paragraph (41)).

(80) In this Decision, the Commission will conduct its assessment on the basis of the narrowest plausible market relevant for the Transaction encompassing only broadband satellite capacity, because neither of the Parties offers narrowband capacity. ([99])

iii. Conclusion

(81) In light of the market feedback set out above, in the remainder of this Decision the Commission carries out its assessment separately for: (i) the supply of broadband one-way satellite capacity for media purposes ('**one-way satellite**

([96]) See paragraph 20.

([97]) Replies to Q1 (Media), question C.A.A.5; and to Q2 (Two-way capacity), question C.A.3. As concerns one-way capacity (for media purposes), the vast majority of respondents having expressed a view, excluded that this would change in the next five years. Replies to Q1 (Media), question C.A.A.5.

([98]) Replies to Q2 (Two-way capacity), question C.A.4.

([99]) Form CO, para. 394: '*Even if both broadband and narrowband Satellite Capacity were to be considered together in a broader market definition, the Parties market shares would necessarily be no larger and would be smaller due to the addition of narrowband satellite capacity provided by other parties to the denominator. […] To the extent that the supply of satellite capacity via narrowband frequencies was added to these market sizes, the Parties' combined market shares would be lower than their broadband market shares*.'

capacity (for media purposes)'), and (ii) the supply of broadband two-way satellite capacity used in other non-media industries, such as aviation, maritime, government and fixed data ('**two-way satellite capacity**').

5.2.2.3.1. Market for the supply of one-way satellite capacity (for media purposes)

(82) In the market of one-way satellite capacity (for media purposes), the market investigation has tested whether there are separate segments between: (i) orbit types such as GEO or LEO satellites; (ii) satellite type such as traditional/wide-beam technology or HTS/newer technology; (iii) frequency bands; (iv) orbital locations; and (v) distribution types such as DTH, FTA or cable. ([100])

5.2.2.3.1.1. Segmentation between GEO and LEO one-way satellite capacity (for media purposes)

(83) The market investigation's results indicate that one-way satellite capacity (for media purposes) from GEO satellites and capacity from LEO satellites (such as Starlink or Eutelsat's OneWeb) do not belong to the same relevant product market.

(84) From a demand-side perspective, the vast majority of respondents having expressed a view excluded that the one-way satellite capacity provided by LEO satellites is substitutable with the one-way satellite capacity provided by GEO satellites. ([101]) For example, one customer submitted that '*DTH over one-way capacity based on GEO satellite is optimized and very efficient for the reception of broadband linear TV services via fixed satellite dishes with high gain. Tracked or omnidirectional LEO receiving antennas have a much lower antenna gain and are therefore better suited for other applications*'. Another customer submitted '*LEO use completely different technology and customers end equipment*'. ([102])

(85) From a supply-side perspective, the vast majority of SNOs having expressed a view excluded that SNOs could switch easily and quickly between the supply of LEO-satellite-based capacity and the supply of GEO-satellite-based capacity. ([103]) For example, a competitor submitted that '*[w]hen developing, deploying and operationalizing a LEO satellite fleet, an SNO would incur significant costs (both CAPEX and OPEX) and risks. […] The operation of a LEO constellation also presents significant differences with the operation of a GEO asset (e.g., ability to control hundreds of assets around the globe, consistent ground network able to feed the satellites, etc.). Marketing LEO capacity instead of GEO capacity is challenging, as most (if not all) user terminals compatible with GEO capacity for media purposes are, currently, not compatible with LEO capacity and country-per-country regulations to sell satellite capacity and/or services generally differs between GEO and LEO, forcing the SNO to get additional licenses for LEO capacity, in a costly and timely effort*'. ([104])

(86) The exact market definition can be left open for the purposes of this Decision, as the Transaction does not raise serious doubts as to its compatibility with the

([100]) On whether any other segmentation of the market for the supply of one-way satellite capacity (for media purposes) is appropriate, the vast majority of respondents having expressed a view responded in the negative. Replies to Q1 (Media), question C.A.A.13.

([101]) Replies to Q1 (Media), question C.A.A.6. The majority of respondents having expressed a view excluded that this would change in the coming 5 years. Replies to Q1 (Media), question C.A.A.6.2.

([102]) The quotes are from the replies to Q1 (Media), question C.A.A.6.1.

([103]) Replies to Q1 (Media), question C.A.A.12.

([104]) Reply to Q1 (Media), question C.A.A.12.1.

internal market irrespective of whether a narrower market comprising solely GEO capacity, or a broader market comprising both GEO and LEO capacity, is defined. In this Decision, the Commission will consider the market of the one-way satellite capacity (for media purposes) from GEO satellites as the narrowest plausible market relevant for the Transaction, because the Parties do not own or operate any LEO satellites (paragraph (42)) and LEOs are not considered an alternative for one-way satellite capacity (for media purposes) (as explained in paragraph (326).

5.2.2.3.1.2. Segmentation between HTS and wide-beam one-way satellite capacity (for media purposes)

(87) The market investigation's results are inconclusive on whether one-way satellite capacity (for media purposes) from HTS (newer technology) satellites and capacity from wide-beam (traditional technology) satellites belong to the same relevant product market.

(88) The majority of respondents having expressed a view excluded that one-way capacity provided with HTS is substitutable with wide-beam satellite capacity. ([105]) From a demand-side perspective, several respondents referred to different technical and commercial functions. For example, one customer submitted that '*HTS capacity is not substitutable or interchangeable with wide beam satellite capacity in the market for the supply of one-way satellite capacity for media purposes. These two capacity types serve fundamentally different technical and commercial functions*'. ([106])

(89) From a supply side substitutability, several respondents referred to the cost/investment required to offer HTS technology as compared to wide-beam technology. For example, one respondent submitted that '*the adoption of HTS for OB [outside broadcasting] often requires different and potentially more complex ground equipment, including antennas capable of tracking or utilizing multiple spot beams, and modems optimized for the higher frequencies and modulation schemes employed by HTS. This infrastructure investment and the intricacies of managing connectivity across multiple beams present significant hurdles to a direct and seamless substitution for established GEO-based OB setups, which typically rely on simpler, fixed antenna deployments within the broad GEO footprint*'.

(90) However, the assessment of the qualitative results of the market investigation (i.e., not only the multiple-choice responses for statistical purposes but also their submissions) show that most respondents, rather than simply excluding the substitution between these two technologies, submit that wide-beam satellites is the main relevant technology for media purposes. ([107]) For example, one respondent submitted that '*Limited footprint: HTS systems operate with multiple, narrowly defined spot beams optimized for targeted data transmission. They are unsuitable for the widespread broadcast of a TV signal to a broad audience base. Technical architecture: TV broadcasting requires uniform coverage of large geographical regions (e.g., all of Europe or the DACH region). Widebeam capacities offer precisely this. HTS, on the other hand, is designed for selective, highly concentrated data capacity […]. Reception infrastructure: HTS systems often require specialized, site-specific reception systems with precise alignment,*

([105]) Replies to Q1 (Media), question C.A.A.7. The majority of respondents having expressed a view excluded that this would change in the coming 5 years. Replies to Q1 (Media), question C.A.A.7.2.

([106]) Replies to Q1 (Media), question C.A.A.7.1.

([107]) Replies to Q1 (Media), question C.A.A.7.1. See also Form CO, paras 423, 428.

whereas widebeam distribution is compatible with millions of existing household antennas. Market availability: The current market offering structure clearly reflects these differences. HTS is primarily used for two-way data communication, not for traditional, unidirectional media distribution' (translated); ([108]) another respondent submitted that '*we have limited experience with high-throughput satellite (HTS) capacity in the context of one-way media broadcasting*'; another respondent submitted that '*only wide beam capacity—typically in Ku-band or C-band—is suitable for linear broadcast, DTH, FTA, and cable headend distribution*'; another respondent submitted that '*wide-beam is our only option to address all households in the respective markets*'; another responded submitted that '*we do not currently use HTS but it is in our strategy for future utilisation*'; another respondent submitted that '*HTS is used for data purposes and not for video encoded channels (sport events, news, etc...)*'.

(91) Another respondent confirmed that '*wide-beam satellites provide the broad, consistent footprint necessary for reaching all DTH, FTA, and cable viewers across the UK, a model that has long supported services like [broadcaster]'s traditional dish-and-box offering. HTS, with its multiple, focused spot beams for higher capacity through frequency reuse, lacks this inherent wide-area coverage*' (like the other respondents mentioned above). It also added that '*the strategic shift by [broadcaster] away from its dish-based product towards IP-delivered services like [OTT services] significantly diminishes the incentive for adopting new satellite technology, including HTS, for traditional broadcast distribution […]*'.

(92) The exact market definition can be left open for the purposes of this Decision, as the Transaction does not raise serious doubts as to its compatibility with the internal market irrespective of whether a possible market of two-way satellite capacity from wide-beam satellites or a possible market of two-way satellite capacity from HTS satellites is considered. The Commission in this Decision will consider the market for the supply of one-way satellite capacity (for media purposes) from wide-beam satellites as the narrowest plausible market relevant for the Transaction because: (i) wide-beam is the main relevant technology for one-way satellite capacity (for media purposes) ([109]) and (ii) there is no overlap for HTS technology in Europe. ([110])

([108]) Replies to Q1 (Media), question C.A.A.7.1. Original reply: '*Begrenzte Ausleuchtzonen: HTS-Systeme arbeiten mit mehreren, eng begrenzten Spotbeams, die für gezielte Datenübertragung optimiert sind. Für die flächendeckende Ausstrahlung eines TV-Signals an eine breite Zuschauerbasis sind sie ungeeignet. Technische Architektur: TV-Broadcasting erfordert eine gleichmäßige Abdeckung großer geografischer Regionen (z. B. ganz Europa oder DACH). Widebeam-Kapazitäten bieten genau das. HTS hingegen ist auf punktuelle, stark gebündelte Datenkapazität ausgelegt […]. Empfangsinfrastruktur: HTS-Systeme erfordern oft spezialisierte, standortgebundene Empfangsanlagen mit exakter Ausrichtung, während Widebeam-Verbreitung kompatibel mit Millionen bestehender Haushaltsantennen ist. Marktverfügbarkeit: Die heutige Angebotsstruktur am Markt reflektiert diese Unterschiede deutlich. HTS wird primär für zweiwegige Datenkommunikation genutzt, nicht für klassische, unidirektionale Medienverbreitung*'.

([109]) More than 96% of satellite transmissions for media purposes used wide-beam satellites in 2024; this figure could be as high as 99.7% depending on the classification of transmissions made from satellites equipped with both wide-beam and HTS capabilities. Notifying Party's response of 28 May 2025 to Commission's RFI 13, para. 1.1, which in turn refers to an analysis of Lyngsat and Novaspace data.

([110]) While Intelsat uses an HTS satellite to distribute media content in Europe, SES does not use HTS satellites to distribute media content in Europe. Notifying Party's response of 28 May 2025 to Commission's RFI 13, para. 1.4.

5.2.2.3.1.3. Segmentation of one-way satellite capacity (for media purposes) by different frequency bands

(93) The results of the market investigation are inconclusive on whether the frequency band Ku and other frequency brands (such as Ka- and C-band) belong to the same relevant product market. By way of background, the market investigation on one-way satellite capacity (for media purposes) asked about substitutability between the Ku-band and the other frequencies, because Ku-band satellite capacity is most commonly used for media distribution in Europe, as explained in paragraphs (44) and (61).

(94) The majority of respondents having expressed a view excluded that Ku-band satellite capacity is substitutable with other frequency bands such as Ka- or C-band. ([111]) From a demand-side perspective, several respondents referred to the required receiver-side equipment. For example, one respondent submitted that '*substitutability is likely to depend on factors like geographical location, weather patterns, equipment costs, and the specific bandwidth requirements of the broadcaster*'; another respondent explained that '*the receiver-side equipment establishes the band*'; and another respondent submitted that another respondent submitted that '*in case of a change from Ku-band to C-band, bigger satellite dishes would be needed in the vast majority of satellite households. In case of a change from Ku-band to Ka-band, the weather sensitivity would increase drastically. Therefore, a change from Ku-band to C- or Ka-band would not be reasonable*'. ([112])

(95) From a supply side substitutability, several respondents referred to significant ground system changes. For example, one competitor submitted that '*any system change will require significant ground system changes as well. One cannot just substitute one frequency band for another*'; and one customer submitted that '*the use of C-band or Ku-band is dependent on the receiving architecture, which is not within our control. It is often region specific*'. ([113])

(96) However, the assessment of the qualitative results of the market investigation (i.e., not only the multiple-choice responses for statistical purposes but also their submissions) show that most respondents, rather than simply excluding the substitution between these frequency bands, submit that the Ku-band is most commonly used for media distribution in Europe. For example, one customer submitted that '*Ku band is the most used band for DTH with millions Ku band antennas and LNBs*' ([114]); another customer submitted '*for DTH satellite distribution in Europe, only the Ku-band is used*'; another one submitted '*Ku band works well for broadcast contribution, in Europe the majority of the mobile uplinks are Ku band, same for the downlinks taking the feeds in*'; another respondent submitted that '*[o]ur current use cases so not include Ka or C band. Our end-users do not have the devices for these technologies*'; another respondent submitted that '*most of the deployed low-noise blocks (LNB) for satellite reception are only capable to receive Ku-band*'; another respondent submitted that '*Ku-band remains the most widely used and reliable option for one-way broadcast services*'; another respondent submitted that '*there are millions of Ku-*

([111]) Replies to Q1 (Media), question C.A.A.8. The majority of respondents having expressed a view excluded that this would change in the coming 5 years. Replies to Q1 (Media), question C.A.A.8.2.

([112]) Replies to Q1 (Media), question C.A.A.8.1

([113]) Replies to Q1 (Media), question C.A.A.8.1

([114]) A low-noise block downconverter ('**LNB**') is the receiving device mounted on satellite dishes used for satellite TV reception.

band dishes in place but only a handful of Ka or C-band dishes. [We] require[] millions'; another respondent submitted that '*the Ku band is widely spread and used for public distribution and non-private contributions (FTA)*'. ([115])

(97) This is also confirmed by the fact that, in response to the question whether frequency bands Ka-band or C-band (other than Ku-band) could be considered separate markets, the majority of respondents having expressed a view responded in the negative. ([116])

(98) The exact market definition can be left open for the purposes of this Decision, as the Transaction does not raise serious doubts as to its compatibility with the internal market irrespective of whether narrower potential markets for each individual frequency or a broader market comprising all frequency bands is defined. The Commission in this Decision will consider the Ku-band capacity market as the narrowest plausible market relevant for the Transaction because: (i) Ku-band is the main frequency band for one-way satellite capacity (for media purposes); ([117]) and (ii) for each of Ka-band or C-band there is no overlap between the Parties ([118]).

5.2.2.3.1.4. Segmentation of one-way satellite capacity (for media purposes) by different orbital locations

(99) The results of the market investigation are mixed on whether different orbital locations are different segments within the market for the supply of one-way satellite capacity (for media purposes).

(100) From a demand-side perspective, the Commission's market investigation tested whether the supply of one-way satellite capacity (for media purposes) is substitutable between different orbital locations, based on their product characteristics, prices and intended use. The results of the market investigation are mixed: ([119])

(a) A majority excluded the substitutability between different orbital locations. For example, one respondent submitted that '*when our affiliates and ground viewers have invested in installing and pointing an antenna towards a given satellite position, we cannot be sure that they will agree to migrate to a new satellite position if necessary, especially since the value of a position also depends also on the neighboring services*'. ([120])

(b) However, a significant minority confirmed such substitutability. For example, one respondent submitted that '*satellites at different orbital locations could be partially substitutable with each other, dependent on*

([115]) Replies to Q1 (Media), question C.A.A.8.1.
([116]) Replies to Q1 (Media), question C.A.A.8.3.
([117]) The Notifying Party has provided Lyngsat data showing the shares of Ku-band transmissions in Europe for 2021-24 for each distribution method: these shares range from 96.9% for FTA in 2022 up to 100% for DTH in 2022 to 2024. According to the Notifying Party, any market shares for Ku-band would not materially differ from the other market shares for the supply of one-way satellite capacity across all frequency bands. Notifying Party's response of 27 May 2025 to the Commission RFI 12, paras 2.1., 2.2.
([118]) Neither SES nor Intelsat used Ka-band or C-band for any of the Media channel transmission distributed using their Satellite Capacity in Europe in 2024. Notifying Party's response of 27 May 2025 to the Commission RFI 12, question 2, para. 2.4.
([119]) Replies to Q1 (Media), question C.A.A.4.
([120]) Replies to Q1 (Media), question C.A.A.4.1.

how close the positions are and whether the two different positions could still provide the same coverage for a geographical area'.

(101) From a supply-side perspective, the Commission's market investigation tested whether SNOs able to switch easily and quickly between different orbital locations. The results of the market investigation are mixed: ([121])

(a) A majority excluded that SNOs can switch between different orbital locations. For example, one respondent submitted that '*when our affiliates and ground viewers have invested in installing and pointing an antenna towards a given satellite position, we cannot be sure that they will agree to migrate to a new satellite position if necessary, especially since the value of a position also depends also on the neighboring services*'. ([122])

(b) However, a minority confirmed such switch substitutability. For example, one respondent submitted that '*generally, SNOs can easily and quickly switch their ground stations to different orbital locations in support of satellite network operations. SNOs also have the ability control the satellite's orbital locations*'.

(102) The exact market definition can be left open, as the Transaction does not raise serious doubts as to its compatibility with the internal market irrespective of whether narrower potential markets for each individual orbital location or a broader market comprising all orbital locations is defined. In any case, the Parties do not overlap in any orbital location (paragraph (40)). Therefore, for market definition purposes, the Decision will consider the market of the one-way satellite capacity (for media purposes) for all orbital locations as the narrowest plausible market relevant for the Transaction.

5.2.2.3.1.5. Segmentation of one-way satellite capacity (for media purposes) by distribution types such as DTH, FTA or cable

(103) The results of the market investigation are mixed on the question whether the supply of one-way satellite capacity (for media purposes) for each of DTH, FTA and/or cable distribution constitute separate markets.

(104) From a demand-side perspective, the Commission's market investigation tested whether the supply of one-way satellite capacity (for media purposes) for DTH, FTA and/or cable distribution is substitutable between them, based on their product characteristics, prices and intended use. The results are mixed. ([123])

(a) About half of the respondents having expressed a view excluded the substitutability between DTH, FTA and cable. For example, one respondent submitted that '*satellite DTH has some unique characteristics which cannot be replaced by Cable delivery in some circumstances. Houses in remote locations, on mountains or other areas where it does not make commercial sense to deploy a cable network rely on Satellite*'; another respondent submitted that '*DTH targets individual households with specific satellite alignment, while cable distribution involves signal delivery to network headends, making the capacity use case and configuration fundamentally different*'; yet another respondent submitted that '*the DTH, FTA and/or Cable distribution broadcast modes are theoretically substituable from*

([121]) Replies to Q1 (Media), question C.A.A.11.
([122]) Replies to Q1 (Media), question C.A.A.11.1.
([123]) Replies to Q1 (Media), question C.A.A.3.

each other but in practice it is rendered difficult by the burdensome need to change the orbital location and size of the dishes'. ([124])

(b) The other approximate half of the respondents having expressed a view confirmed such the substitutability. For example, one respondent submitted that '*one-way satellite capacity can be used simultaneously for both, DTH and as a feed for cable distribution (or other means of distribution). FTA only means that a channel is unencrypted, regardless whether it is distributed via satellite, cable, IPTV, etc.*'; another respondent submitted that '*the fundamental requirement is the reliable transmission of a broadcast signal from the uplink facility to the satellite and then down to the receiving infrastructure. Whether the final destination is a DTH receiver in a home, a Free-to-Air set-top box, or the headend of a cable network, the one-way satellite link serves the same primary purpose: delivering the linear channel feed*'. ([125])

(105) From a supply-side perspective, the Commission's market investigation tested whether SNOs are able to switch easily and quickly between the supply of one-way satellite capacity for each of DTH, FTA and/or cable distribution. The results of the market investigation are mixed. ([126])

(a) About half of the respondents having expressed a view excluded that SNOs can switch between DTH, FTA and cable. For example, one respondent submitted that '*DTH/FTA: both services usually count with a big volume of end user base. The change of capacity in this segment will suppose high costs (millions of Euros) and will be slow (months/years). Cable distribution: the number of satellite receivers are low compared to DTH/FTA. The change can be done without big investment specially between orbital locations that are already dedicated to video distribution*'; another respondent submitted '*this can be done, but it is subject to equipment constraints related to the satellite frequencies*'.

(b) The other approximate half of the respondents having expressed a view confirmed such switching possibility for SNOs between DTH, FTA and cable. For example, one respondent submitted that '*on a same satellite, transponders can be leased either to DTH operators (both pay-per-view or FTA) but also to cable operators. In the former case, programs are broadcast to the end-users terminals. In the latter case, programs are feeding the cable head-ends of the cable operator which are equipped with large dishes. If a customer (DTH, FTA or cable operator) ceased to use the leased transponder, the SNO could lease the freed capacity to another operator (DTH, FTA or cable)*'.

(106) Therefore, as the market investigation's results are mixed, the exact market definition can be left open for the purposes of this Decision. In any case, the Transaction does not raise serious doubts as to its compatibility with the internal market when assessing the plausible markets corresponding to each of DTH, FTA and/or cable distribution.

([124]) Replies to Q1 (Media), question C.A.A.3.1.
([125]) Replies to Q1 (Media), question C.A.A.3.1.
([126]) Replies to Q1 (Media), question C.A.A.10.

5.2.2.3.1.6. Conclusion on the relevant product market for the supply of one-way satellite capacity (for media purposes)

(107) The relevant product market is the market for the supply of one-way satellite capacity (for media purposes).

(108) The question whether this market can be segmented by: (i) orbit (GEO or LEO); (ii) satellite type (HTS or wide-beam), (iii) frequency band (Ku-, Ka-, C-band), (iv) orbital locations or (v) distribution types (DTH, FTA, cable), can be left open as the Transaction does not raise serious doubts as to its compatibility with the internal market under any plausible market definition.

5.2.2.3.2. Market for the supply of two-way satellite capacity

(109) With regard to the market for two-way satellite capacity, the market investigation tested whether there is a need to segment the market between: (i) GEO and LEO/NGSO capacity; (ii) traditional/wide-beam and HTS/newer technology capacity; (iii) Ku-, Ka- and C-band capacity, and (iv) industry segments (other than media).

5.2.2.3.2.1. Segmentation between GEO and LEO two-way satellite capacity

(110) The market investigation results were inconclusive as to whether two-way satellite capacity from GEO satellites and two-way satellite capacity from LEO satellites (such as Starlink or Eutelsat's OneWeb) belong to the same relevant product market.

(111) From a demand-side perspective, the majority of respondents submitted that two-way satellite capacity from GEO satellites is substitutable with two-way satellite capacity from LEO satellites, based on product characteristics, prices and intended uses. ([127]) Some of these respondents also submitted that the current rapid entry of LEO constellations would show that the GEO and NGSO satellites cater to the same customer needs, such as broadband internet, telecommunication and in-flight connectivity. ([128])

(112) From a supply-side perspective, the vast majority of SNOs having expressed a view indicated that they could not switch easily from supplying two-way satellite capacity from a GEO satellite to supplying two-way satellite capacity from a LEO satellite (and vice versa) in a short period of time and without incurring significant costs. ([129])

(113) In light of the above, the Commission considers that the exact market definition can be left open for the purposes of this Decision, as the Transaction does not raise serious doubts as to its compatibility with the internal market irrespective of whether a narrower market comprising solely GEO capacity, or a broader market comprising both GEO and LEO capacity, is defined.

5.2.2.3.2.2. Segmentation between HTS and wide-beam two-way satellite capacity

(114) The results of the market investigation were mixed on whether two-way satellite capacity from HTS satellites and two-way satellite capacity from wide-beam satellites belong to the same relevant product market.

([127]) Replies to Q2 (Two-way capacity), question C.A.5.
([128]) Replies to Q2 (Two-way capacity), question C.A.5.1.
([129]) Replies to Q2 (Two-way capacity), question C.A.6.

(115) From a demand-side perspective, more respondents having expressed a view considered that two-way satellite capacity from HTS satellites is substitutable with two-way satellite capacity from wide-beam satellites. ([130]) Some of these respondents stated that the same customer needs are served by both satellite types, and that they observe this substitution currently in the market. ([131])

(116) Respondents who do not consider that HTS and wide-beam two-way satellite capacity are substitutable noted that HTS satellites are generally more efficient, provide higher bit rates and performances and are less costly when compared to wide-beam satellites. In view of these advantages, several respondents – despite initially indicating that HTS and wide-beam capacity are not generally substitutable – agreed that one way substitution is plausible and has actually started taking place. In this respect one respondent submitted that '*it is 'easier to switch from wide beam to HTS than from HTS to wide beam*'. Another respondent sated that '*substituting HTS for wide-beam capacity for two-way services is reasonable and potentially favorable as well. Conversely, substituting wide-beam services for HTS services is unlikely to meet the capacity requirements for a given coverage area*'. The same responded also added that '*[w]ide-beam services are predominately used for broadcast services. For two-way services, most MNOs have adopted HTS services for their customer service requirements, but it is not uncommon for SNOs to have single satellites that provide both wide-beam and HTS coverages*'. Another respondent submitted that there exists '*[o]ne-sided interchangeability – transition from wide beam to HTS*'. Another respondent noted that '*[m]arket is migrating from wide-beam to HTS*'. ([132])

(117) From a supply-side perspective, most SNOs having expressed a view considered that they could not switch easily from supplying two-way satellite capacity from a wide-beam satellite to supplying two-way satellite capacity from an HTS satellite (and vice versa) in a short period of time and without incurring significant costs. ([133]) One of these respondents explained that for an SNO to switch between satellite types would imply significant cost for inter alia launching new satellites, investments in ground infrastructure and obtaining new licenses. ([134])

(118) In any event, the Commission considers that the exact market definition can be left open for the purposes of this Decision, as the Transaction does not raise serious doubts as to its compatibility with the internal market irrespective of whether a possible market of two-way satellite capacity from wide-beam satellites or a possible market of two-way satellite capacity from HTS satellites is considered.

5.2.2.3.2.3. Segmentation of two-way satellite capacity by different frequency bands

(119) The results of the market investigation were mixed on whether it would be appropriate to segment the market for the supply of two-way satellite capacity by different frequency bands such as Ku-, Ka- and C-band.

(120) From a demand-side perspective, in response to the question whether two-way satellite capacity is substitutable between different frequency bands, about one third submitted 'yes', about one third submitted 'no', and about one third

([130]) Replies to Q2 (Two-way capacity), question C.A.7.
([131]) Replies to Q2 (Two-way capacity), question C.A.7.1.
[132]) Replies to Q2 (Two-way capacity), questions C.A.7.1 and C.A.8.1.
([133]) Replies to Q2 (Two-way capacity), question C.A.8.
([134]) Replies to Q2 (Two-way capacity), question C.A.8.1.

submitted 'Other' or 'I don't know'. ([135]) Several respondents stated that the Ku- and Ka-bands are closer substitutes to each other, compared to Ka/Ku-band versus C-band. For example, one responded submitted that '*C-band is not relevant for cabin communications and therefore not interchangeable with either Ku or Ka. From an airline perspective, offering inflight connectivity to its passengers, Ku and Ka band are probably interchangeable, when making the initial purchase decision*'. Another respondent submitted that '*different frequency bands (e.g., Ka- and Ku-band) can achieve identical uplink and downlink speeds for a given set of beams simply by altering any of the performance factors (e.g., using larger ground equipment)*'. ([136])

(121) From a supply-side perspective, a vast majority of the SNOs who expressed a view do not consider that they could switch easily from supplying two-way satellite capacity in a particular frequency band to supplying two-way satellite capacity in a different frequency band, in a short period of time and without incurring significant costs. ([137])

(122) In any event, the Commission considers that the exact market definition can be left open for the purposes of this Decision, as the Transaction does not raise serious doubts as to its compatibility with the internal market irrespective of whether narrower potential markets for each individual frequency bands or a broader market comprising all frequency bands is defined.

5.2.2.3.2.4. Segmentation of two-way satellite capacity by downstream industry segments/end-uses

(123) The market investigation confirmed that the market for the supply of two-way satellite capacity should not be segmented based on the downstream industry segment/end-use. The vast majority of respondents considered that two-way satellite capacity is fungible and can be used interchangeably across a range of industry segments/end-uses. ([138])

(124) For example, one respondent submitted that '*all SNOs may allocate capacity to the different industry segments. SSPs and resellers/VARs are specialised in serving one or more particular industries or customer segments for a number of reasons*'. Another respondent submitted that '*GEO is designed so that different types of satellite services can be provided across the different industry segments*'. A further respondent stated that '*two-way satellite capacity is generally fungible across different industry segments. Satellite capacity is usually provided to various SSPs offering satellite services in different industry segments. However, some of these SSPs might be specialized in one industry segment only, and some applications have specific requirements that can limit the fungibility*'. ([139])

(125) In light of the above, the Commission considers that the market for the supply of two-way satellite capacity by SNOs should not be segmented based on the downstream industry segment.

([135]) Replies to Q2 (Two-way capacity), question C.A.9.
([136]) Replies to Q2 (Two-way capacity), question C.A.9.1.
([137]) Replies to Q2 (Two-way capacity), question C.A.10.
([138]) Replies to Q2 (Two-way capacity), question C.A.11.
([139]) Replies to Q2 (Two-way capacity), question C.A.11.1.

5.2.2.3.2.5. Conclusion on the relevant product market for the supply of two-way satellite capacity

(126) Considering the above, the Commission concludes that the relevant product market is the market for the supply of two-way satellite capacity across different industries (other than media).

(127) The question whether this market can be segmented by (i) orbit (GEO or LEO); (ii) satellite type (HTS or wide-beam) or (iii) frequency band (Ka-, Ku-, C-band), can be left open as the Transaction does not raise serious doubts as to its compatibility with the internal market under any plausible market definition.

5.2.3. Geographic market definition

5.2.3.1. Market for the supply of one-way satellite capacity (for media purposes)

5.2.3.1.1. Commission's precedents

(128) The Commission considered the market for the supply of satellite capacity to be worldwide in scope in its *Viasat/Inmarsat* decision. ([140]) However, that decision dealt with two-way satellite communications, because one of the merging parties was not active in the provision of one-way satellite communications (as noted in footnote 66).

(129) The Commission considered a regional scope, and not the EEA as a whole, in its previous decisions dealing with satellite capacity for media purposes ('satellite transponder capacity' for broadcasting and other telecommunication services, as described in paragraph (47)):

(a) In *BC Partners/United Group*, the Commission, while it ultimately left the market open, it considered the region 'Central and Eastern Europe' ('**CEE**') because '*the information gathered during the market investigation confirmed the regional scope of the supply of satellite transponder capacity. Indeed, the satellites covering Slovenia and Croatia have a supranational footprint, which also covers neighbouring states of Central and Eastern Europe. Their position is stronger or weaker as per territory, depending on the strength of the beam and on the number of dishes pointed towards them*'. ([141])

(b) In *NENT/Telenor/JV*, the Commission, while it ultimately left the market open, considered the Nordics region, or Nordics and CEE region, because '*the results of the market investigation confirmed that it is relevant to look at satellites' combined footprint from an orbital location (technical reach) and the location of the customer base (number of dishes pointed towards an orbital location)*' and, on this basis, '*the information gathered confirms the regional scope (Nordics, or Nordics and CEE region)*'.([142])

5.2.3.1.2. Notifying Party's views

(130) The Notifying Party submits that that the appropriate geographic scope for the supply of satellite capacity is at least Europe-wide or global in scope, ([143])

([140]) Commission decision of 25 May 2023 in case M.10807 - *Viasat/Inmarsat,* recitals 80-81.
([141]) Commission decision of 17 December 2018 in case M.9152 - *BC Partners/United Group*, paras 16-17.
([142]) Commission decision of 30 April 2020 in case M.9604 - *NENT/Telenor/JV*, para. 85.
([143]) Form CO, paras 476, 488.

because: (i) satellite systems are typically designed to cover all or most of Europe (and often stretch beyond the continent to cover adjacent regions or provide global coverage) and the signal on a GEO satellite can be received by anyone within the beam coverage area using the right equipment; ([144]) (ii) there are a large number of competitors with global or multi-regional coverage; ([145]) and (iii) the location of the customer itself does not have an appreciable impact on the costs of supply, and more generally distance-related factors and trade flows are not relevant in the industry. ([146])

(131) The Notifying Party also submits that it would be not appropriate for the purposes of the assessment of the Proposed Transaction to read the previous Commission decision *NENT/Telenor/JV* as indicating a narrow geographic market for satellite capacity. ([147])

5.2.3.1.3. Commission's assessment

(132) In the market investigation, the Commission tested generally which conditions of competition are relevant to distinguish one geographic market from another geographic market. In addition, for the supply of one-way capacity (for media purposes), the Commission tested at which geographic level (i) the conditions of competition are largely similar/homogenous, (ii) contracts are negotiated and (iii) whether SNOs are able to switch supply easily and quickly between different geographic regions.

(133) To the question at which geographic level are the conditions of competition (for example, prices, identity of suppliers, their market strength, customer's preferences, satellite technical reach, number of dishes pointed) are largely similar/homogenous for the supply of one-way satellite capacity (for media purposes), respondents gave very different replies but the option that was picked most often was 'regional'. ([148])

(134) The above-mentioned respondents having replied 'regional', identify different geographic regions within the EEA, sometimes describing linguistic areas or, more often, broader regions corresponding to (i) Western Europe, (ii) Eastern Europe, (iii) CEE [Central and Eastern Europe] and (iv) Nordics or Nordic Europe. ([149]) These regions may correspond to the satellite technical reach, as set out in paragraph (136). In addition, these regions were possible geographic markets in the Commission's previous decisions (as set out in paragraph (129)) and/or were referred in the Parties' internal documents. ([150])

(135) As an example of the above-mentioned 'regional' respondents, a customer submitted that '*GEO satellites have a regional coverage encompassing different countries. For example, Astra 1 covers central Europe, including France, Germany, Italy, and Spain, while a different constellation covers the UK. Satellite operators, such as SES, Intelsat and Eutelsat have offerings covering different*

([144]) Form CO, paras 477-79.
([145]) Form CO, para. 484.
([146]) Form CO, paras 485, 487.
([147]) Form CO, paras 489-91. According to the Notifying Party, in the *NENT/Telenor/JV* decision, the supply of satellite capacity was relevant only in relation to a vertically affected market with geographically limited downstream activities. Notifying Party's response of 23 May 2025 to Commission's RFI 11, question 1, para. 1.10.
([148]) Replies to Q1 (Media), question C.A.B.1.
([149]) Replies to Q1 (Media), questions C.A.B.1.1, C.A.B.1.2.
([150]) As can be seen in SES documents in Form CO Annex 10 and titled '[…]. Notifying Party's response of 5 May 2025 to Commission's RFI 9, question 1, para. 1.15.

regions. Regional players, such as Space Norway or Arabsat offer dedicated or complementary coverage'. ([151]) Another respondent submitted that '*GEO satellite wide-beams used for broadcasting are typically multi-thousand kilometers wide, hence covering multiple countries (e.g.: Hotbird at 13°E for Eutelsat) - Our Video contracts are traditionally with regional media broadcasters that purchase capacity corresponding to the transnational coverage of a GEO asset or for foreign communities outside their home country - SNOs compete to control the key orbital slots (aka 'hot spots' where massive numbers of dishes are pointing to) providing efficient coverage at regional level. However, in some cases, the 'national' level is more relevant…*' ([152]). That same respondent submitted also that ''*… however, in some cases, the 'national' level is more relevant, for instance: SES has long dominated the German market through long-standing deals with numerous German broadcasters, establishing itself as the prime TV neighborhood in the country. In Italy, the market is more specialized, with Sky Italia securing multiple agreements with operators, shaping a unique and competitive landscape*'.

(136) When asked to rank the factors to determine conditions of competition to distinguish one geographic market from another geographic market, most respondents ranked in the following order: (i) satellite technical reach; (ii) number of dishes pointed towards an orbital location; (iii) price for satellite capacity; (iv) identity of providers of satellite capacity; (v) different preferences of customers procuring satellite capacity. ([153]) This explains the fact that the above-mentioned 'regional' respondents may refer to the satellite technical reach (paragraph (134)).

(137) The possible regional scope of the relevant market is also confirmed by the result of the market investigation on the geographic area based on which the contracts for the supply of one-way satellite capacity (for media purposes) are negotiated. Most respondents replied 'regional'. ([154]) For example, one respondent submitted that they '*negotiate content rights on a national basis and [they] aim to use the same satellite capacity and orbital location to address different countries on a regional basis*'. ([155])

(138) A minority of respondents submitted that the market would be 'EEA'. ([156]) Almost the same number of respondents submitted that the market would be

([151]) Reply to Q1 (Media), question C.A.B.1.1.
([152]) Reply to Q1 (Media), question C.A.B.1.1.
([153]) Reply to Q1 (Media), question C.A.B.2.
([154]) Replies to Q1 (Media), question C.A.B.3.
([155]) Replies to Q1 (Media), question C.A.B.3.1.
([156]) For example, one respondent submitted that '*competitive conditions for one-way satellite capacities are largely homogeneous. … Provider structure: The most important SNOs (e.g., SES, Eutelsat) offer their capacities across borders within the EEA. The selection of service providers and their market strength is comparable across much of Europe. Pricing structures: Satellite capacity prices in the EEA are based on a common European price level, depending on transponder performance, range, and frequency band – not on national borders. Technical framework: Satellite signals via Ku-band wide-beam technology provide uniform coverage throughout Europe. TV viewers in multiple EEA countries receive programs via the same satellites, without any country-specific differences in technology. Regulatory environment: Within the EEA, comparable legal frameworks exist for satellite communications, media distribution, and frequency usage, supporting a unified market.Customer expectations & infrastructure: Reception infrastructure (e.g., satellite dishes, LNBs) and viewer preferences do not differ significantly between the EEA countries where sonnenklar.TV is available (primarily Germany, Austria, and Switzerland via satellite)*' (translated; original: '*der die Wettbewerbsbedingungen für One-Way-Satellitenkapazitäten weitgehend homogen sind. [...] Anbieterstruktur: Die wichtigsten SNOs (z. B. SES, Eutelsat) bieten ihre*

'national'. ([157]) Combining the above-mentioned 'regional' and 'national' respondents, the Commission finds that the market investigation results suggest that the geographic scope of the relevant market is likely broader than national but narrower than the EEA.

5.2.3.1.4. Conclusion on the relevant geographic market for the supply of one-way satellite capacity (for media purposes)

(139) For the purposes of this Decision, the exact geographic market definition can be left open as the Transaction does not raise serious doubts as to its compatibility with the internal market under any plausible geographic market definition.

(140) Therefore, in this Decision the Commission will conduct its assessment on the basis of both EEA-wide and regional markets, namely Western Europe, Eastern Europe, CEE and Nordic Europe (paragraph (134)). For clarity, Section 6.3.1 market share tables refer to Western Eastern and Eastern Europe, because there are no affected markets (whose meaning is recalled in footnote 253) on the basis of the market shares for CEE and Nordic Europe (paragraph (229)) on any plausible product market definition.

5.2.3.2. Market for the supply of two-way satellite capacity

5.2.3.2.1. Commission's precedents

(141) The Commission considered the market for the supply of two-way satellite capacity to be worldwide in scope in its *Viasat/Inmarsat* decision. ([158]) That decision dealt with two-way satellite communications, because one of the

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Kapazitäten grenzüberschreitend innerhalb des EWR an. Die Auswahl an Dienstleistern und deren Marktstärke ist in weiten Teilen Europas vergleichbar. Preisstrukturen: Die Preise für Satellitenkapazitäten orientieren sich im EWR an einem gemeinsamen europäischen Preisniveau, abhängig von Transponderleistung, Reichweite und Frequenzband – nicht von nationalen Grenzen. Technische Rahmenbedingungen: Satellitensignale über Ku-Band Widebeam-Technologie decken ganz Europa einheitlich ab. TV-Zuschauer in mehreren EWR-Staaten empfangen Programme über dieselben Satelliten, ohne länderspezifische Unterschiede in der Technik. Regulatorisches Umfeld: Innerhalb des EWR bestehen vergleichbare gesetzliche Rahmenbedingungen für Satellitenkommunikation, Medienverbreitung und Frequenznutzung, was einen einheitlichen Markt unterstützt. Kundenerwartungen & Infrastruktur: Die Empfangsinfrastruktur (z. B. Satellitenschüsseln, LNBs) und Zuschauerpräferenzen unterscheiden sich nicht wesentlich zwischen den EWR-Ländern, in denen sonnenklar.TV empfangbar ist (v. a. Deutschland, Österreich, Schweiz via Sat). Diese Einschätzung gilt einheitlich für unsere Zielmärkte – es bestehen keine relevanten Unterschiede innerhalb des EWR, die eine kleinere oder differenzierte geografische Marktabgrenzung rechtfertigen würden'). Reply to Q1 (Media), question C.A.B.1.1.

([157]) Replies to Q1 (Media), question C.A.B.1.1. One respondent submitted that '*most of the satellite use for one-way services are DTH/FTA. Customers of these services such as big DTH service providers have a national reach so that the strength of the SNOs will be based on its customers reach and presence. As an example, Hispasat has an [sic] strong presence in Spain and Portugal in the one way video market thanks to it [sic] historical relationship with the key players in this segment. Video distribution services are more difficult to assess. However, customers are usually broadcasters (national or regional) that usually looks for international distribution capabilities*'; another responded submitted that '*satellites [] serve multiple countries (while aggregated by country, but there is no geographical logic or grouping behind this aggregation, thus it would not be appropriate to refer to this as 'regional' segmentation*' (hence the 'national' response chosen by this respondent); another responded submitted that '*Conditions of competition for the supply of one-way satellite capacity tend to vary significantly from one country to another within the Central and Eastern European (CEE) region where we operate*'.

([158]) Commission decision of 25 May 2023 in case M.10807 - *Viasat/Inmarsat,* recitals 80-81.

merging parties was not active in the provision of one-way satellite communications. ([159])

5.2.3.2.2. Notifying Party's views

(142) As outlined above, the Notifying Party submits that the appropriate geographic scope for the supply of satellite capacity ([160]) is at least Europe-wide or global in scope, ([161]) because: (i) satellite systems are typically designed to cover all or most of Europe (and often stretch beyond the continent to cover adjacent regions or provide global coverage) and the signal on a GEO satellite can be received by anyone within the beam coverage area using the right equipment; ([162]) (ii) there are a large number of competitors with global or multi-regional coverage; ([163]) and (iii) the location of the customer itself does not have an appreciable impact on the costs of supply, and more generally distance-related factors and trade flows are not relevant in the industry. ([164])

5.2.3.2.3. Commission's assessment

(143) The market investigation indicated that the geographic scope of the market for the supply of two-way satellite capacity is worldwide or EEA-wide.

(144) The majority of respondents having expressed a view consider that the geographic level where the conditions of competition for the supply of two-way satellite capacity (e.g., prices, customers' preferences, number and identity of suppliers, their market strength) are largely similar/homogenous, is the worldwide or EEA-wide level. ([165]) Furthermore, the majority of respondents having expressed a view confirmed that they negotiate contracts for the supply of two-way satellite capacity at the worldwide level. ([166])

5.2.3.2.4. Conclusion on the relevant geographic market for the supply of two-way satellite capacity

(145) For the purposes of this Decision, the exact geographic market definition can be left open as the Transaction does not raise serious doubts as to its compatibility with the internal market under any plausible geographic market definition.

(146) Therefore, the Commission will conduct its assessment on the basis of both global and EEA-wide plausible geographic market definitions.

5.3. Market for the supply of satellite services

5.3.1. The Parties' activities

(147) As vertically integrated SNOs/SSPs, both Parties also offer satellite services combining satellite capacity with additional services such as fibre connectivity, user terminals and customer support. ([167]) The Parties provide two-way satellite

([159]) Commission decision of 25 May 2023 in case M.10807 - *Viasat/Inmarsat*, footnote 92.
([160]) The Notifying Party does not distinguish between one-way satellite capacity (for media purposes) and two-way satellite capacity (see Form CO, paras 450 et seqq.).
([161]) Form CO, paras 476, 488.
([162]) Form CO, paras 477-79.
([163]) Form CO, para. 484.
([164]) Form CO, paras 485, 487.
([165]) Replies to Q2 (Two-way capacity), question C.B.1.
([166]) Replies to Q2 (Two-way capacity), question C.B.3.
([167]) Form CO, paras 117 et seq.

services to customers in the aviation, maritime, government and fixed data industries.

(148) **Aviation.** Only Intelsat provides satellite services while SES does not directly supply end customers or SSPs with satellite services. ([168]) Satellite services in the aviation industry are geared towards non-fixed user terminals on board of moving aircrafts. ([169]) Intelsat offers satellite services to SSPs (e.g., […]), as well as directly to end customers which are commercial airlines (e.g., […]). ([170]) Intelsat does not supply satellite services directly to business aviation end customers. ([171]) Intelsat provides satellite services employing broadband frequencies and using wide-beam and HTS satellites. ([172]). While SES is not active in this segment as a direct service provider yet, it has announced its plan to launch the SES Open Orbits Inflight Connectivity (IFC) Network in collaboration with regional satellite operators as part of Airbus's HBCplus programme providing satellite services directly to commercial aviation end customers. ([173])

(149) **Maritime.** Only SES provides satellite services while Intelsat does not supply satellite services, neither to SSPs nor to end customers. ([174]) Satellite services in the maritime industry are typically delivered to non-fixed user terminals on board of moving ships. ([175]) SES provides its satellite services to end customers (cruise lines, such as […]), but not to SSPs. ([176]) SES offers satellite services employing broadband frequencies and using wide-beam and HTS satellites. ([177])

(150) **Government.** Both Parties provide satellite services to customers in the government sector. ([178]) Government satellite services are broadly similar to those in other segments, such as fixed data and maritime, but they are distinguished by particular government demands to ensure reliability and security through *inter alia* stronger service level commitments, jamming, enhanced resiliency and encryption. ([179]) SES provides satellite services in particular to […] but also services […]. ([180]) Intelsat is active globally with […]. ([181]) The Parties employ broadband frequencies using wide-beam and HTS satellites.

(151) **Fixed data.** Both Parties offer satellite services to end customers and SSPs in the fixed data industry. ([182]) First, they offer backhaul connectivity services to telecommunications companies, such as network operators. ([183]) Backhaul connectivity services use satellite capacity to connect communication signals from remote locations to core networks. Second, the Parties offer trunking services using a satellite link to connect rural areas without fiber access to the internet or to serve as a backup to terrestrial networks. ([184]) Third, the Parties offer

([168]) Form CO, para. 162.
([169]) Form CO, para. 160.
([170]) Form CO, para. 161-70.
([171]) Notifying Party's response of 5 May 2025 to Commission's RFI 9, paras 5.1-5.4.
([172]) Form CO, para. 159.
([173]) Form CO, para. 162, footnote 63.
([174]) Form CO, para. 174.
([175]) Form CO, para. 171.
([176]) Form CO, paras 174-82.
([177]) Form CO, para. 172.
([178]) Form CO, paras 201-06.
([179]) Form CO, paras 189-91.
([180]) Form CO, paras 201-03.
([181]) Form CO, paras 204-06.
([182]) Form CO, paras 121 et seq.
([183]) Form CO, para. 124.
([184]) Form CO, para. 125.

enterprise connectivity solutions providing primary or back-up internet connection for use cases such as private corporate networks. ([185]) The Parties employ broadband frequencies using wide-beam and HTS satellites. ([186])

5.3.2. Product market definition

5.3.2.1. Commission's precedents

(152) In *Astrium Holding/Vizada Group* and *Apax Partners/Telenor Satellite Services*, the Commission identified a separate market for the supply of satellite connectivity services at 'wholesale level', i.e., by SSPs to downstream customers (large end customers and resellers). ([187]) The Commission considered that the market for the supply of satellite connectivity services could be segmented between (i) military and commercial satellite services; and (ii) one-way or two-way satellite services. ([188]) Further, the Commission considered that the market for satellite communication services could be segmented based on the end use (e.g., whether connectivity is used for maritime or aviation applications), but ultimately left the market definition open as regards a possible segmentation by end use. ([189])

(153) In *Viasat/Inmarsat*, the Commission concluded that there is a segmentation based on the level of supply chain (between SNOs, SSPs and VARs) and, therefore, there exists a separate market for the supply of satellite connectivity services by SSPs, which can be segmented according to the industry of application (e.g., aviation, maritime). ([190]) Furthermore, the Commission considered possible segmentations within the aviation sector including based on: (i) type of customer (i.e., commercial or business), and (ii) GEO- and LEO-based in-flight connectivity ('**IFC**') solutions. The Commission concluded that there is an overall market for the supply of broadband IFC services to commercial aviation customers, including both Ka- and Ku- bands and GEO- and LEO-based solutions, for short-haul and long-haul flights. The question of whether that market should be further segmented according to whether the IFC services are based on satellite technology, air-to-ground ('**ATG**') technology or hybrid (satellite and ATG) was left open. ([191])

(154) The Commission has not previously addressed in its precedent decisions the possible distinctions between fixed data, government and maritime industries within the market for the supply of satellite connectivity services by SSPs.

5.3.2.2. Notifying Party's views

(155) The Notifying Party is of the view that the segmentation based on the level of the supply chain (between SNOs, SSPs and VARs) in *Viasat/Inmarsat* ([192]) does not

([185]) Form CO, para. 126.
([186]) Form CO, para. 122.
([187]) Commission decisions of 30 November 2011 in case M.6393 - *Astrium Holding/Vizada Group*, para. 22; and of 20 August 2007 in case M.4709 - *Apax Partners/Telenor Satellite Services*, paras 9, 14-15.
([188]) Commission decision of 30 November 2011 in case M.6393 - *Astrium Holding/Vizada Group*, paras 8-12.
([189]) Commission decisions of 30 November 2011 in case M.6393 - *Astrium Holding/Vizada Group*, paras 22-24; and of 20 August 2007 in case M.4709 - *Apax Partners/Telenor Satellite Services*, paras 9, 15.
([190]) Commission decision of 25 May 2023 in case M.10807 - *Viasat/Inmarsat,* recitals 103-06.
([191]) Commission decision of 25 May 2023 in case M.10807 - *Viasat/Inmarsat,* recital 129.
([192]) Commission decision of 25 May 2023 in case M.10807 - *Viasat/Inmarsat*, recitals 103-06.

properly reflect the supply chain in industry segments other than aviation because the supply chains would not be as linear as in aviation. ([193]) However, the Notifying Party submits that the supply of satellite services is broadly analogous to the supply of satellite connectivity services by SSPs as described in the *Viasat/Inmarsat* decision.

(156) The Notifying Party considers that the market for the supply of satellite services by SSPs constitutes a separate market which should be further segmented by industry segments: aviation, maritime, government and fixed data. ([194])

(157) The Notifying Party submits that the various industry segments of satellite services (aviation, maritime, government and fixed data) should not be further sub-segmented by orbit (particularly GEO and NGSO/LEO), satellite type (particularly HTS and wide-beam) or frequency band (namely Ka-, Ku- and C-band) for the same reasons as outlined in Section 5.2.2.2. for satellite capacity. ([195])

(158) **Aviation.** In the aviation industry, the Notifying Party agrees with the precedent in *Viasat/Inmarsat* in so far as there is an overall market for the supply of broadband IFC services to commercial aviation customers, including both Ka- and Ku- bands and GEO- and LEO-based solutions, for short-haul and long-haul flights. Also, the Notifying Party is not opposed to the distinction between IFC services provided to commercial aviation customers on the one hand and to business aviation customers on the other hand. ([196]) Regarding a further market segmentation based on technology, the Notifying Party submits that for European, short-haul flights there should be no segmentation of IFC services based on whether they use ATG or satellite technology because they are fully interchangeable. Nonetheless, the Notifying Party submits that for long-haul flights ATG is not an alternative because of a lack of ATG infrastructure over large land masses and oceans. ([197])

(159) **Maritime.** The Notifying Party submits that the maritime sector should not be further sub-segmented given the considerable supply-side substitutability between potential sub-segments such as cruise operators and commercial shipping lines. ([198])

(160) **Government.** The Notifying Party states that no further segmentation is required in the government sector. From a demand side perspective, the product characteristics in terms of service level requirements for strong reliability and heightened security are prevalent across different types of government applications such as aircraft, naval, land or command bases. In the Notifying Party's view, these typical service level requirements are also a determining factor in pricing satellite services in the government sector as heightened security demands result in higher cost for equipment and services. ([199]) Further, the contracting party in the government sector is often a centralised body aggregating the demands for different government use cases. ([200]) From a supply-side perspective, the Notifying Party notes that the Parties' main competitors like

([193]) Form CO, para. 501.
([194]) Form CO, para. 624.
([195]) Form CO, para. 612.
([196]) Form CO, paras 550-51.
([197]) Form CO, para. 548.
([198]) Form CO, paras 558-59.
([199]) Form CO, paras 585-86.
([200]) Form CO, paras 587-88.

Viasat/Inmarsat and Eutelsat/OneWeb offer their satellite services across different applications in the government sector, like maritime, aviation and land. ([201]) Regarding satellite services for the military, the Notifying Party infers that satellite services for military applications are part of the same market as government satellite services. Military customers often use the same commercial frequencies (Ka-, Ku-and C-band) and not only the specific military frequencies (X-band and military Ka-band) implying a high degree of demand-side substitutability according to the Notifying Party. ([202])

(161) **Fixed data.** The Notifying Party holds the view that the fixed data industry should not be further segmented. ([203]) First, the Notifying Party submits that there is demand-side substitutability between different applications such as backhauling, trunking and enterprise connectivity in terms of product characteristics, prices, functionalities and intended use. ([204]) The common denominator of the different applications is providing satellite connectivity between two fixed points. While the Notifying Party concedes that the volume demanded for cellular backhauling and enterprise connectivity is usually lower than for trunking, it submits that individual customer requirements across different applications are the decisive factor to determine the service provided. ([205]) Further, the Notifying Party submits that product characteristics such as upload speeds, latency and availability commitments are similar throughout different applications (trunking, backhauling and enterprise connectivity). ([206]) Second, the Notifying Party states that there is supply-side substitutability between different types of satellite services in the fixed data industry considering the ability of suppliers to switch supply between them without incurring significant cost. ([207]) According to the Notifying Party, switching is easy for suppliers because the technical requirements for backhauling, trunking, and enterprise connectivity are similar, such that no significant adjustment in assets, investment or risk are needed. ([208])

5.3.2.3. Commission's assessment

(162) The market investigation confirmed that the supply of two-way satellite capacity by SNOs constitutes a separate market from the supply of satellite services by SSPs within the satellite communications vertical chain. The majority of market participants active in each of the aviation, maritime, government and fixed data industries agree that the distinction between satellite capacity and satellite services is still relevant. ([209])

([201]) Form CO, para. 591.
([202]) Form CO, para. 599.
([203]) Form CO, para. 568.
([204]) Form CO, para. 578.
([205]) Form CO, paras 580-81.
([206]) Form CO, para. 581.
([207]) Form CO, para. 569 et seq.
([208]) Form Co, paras 570-71.
([209]) Replies to Q3 - Questionnaire on satellite services for the aviation industry to customers and competitors ('**Q3 (Aviation)**'), Q4 - Questionnaire on satellite services for the maritime industry to customers and competitors ('**Q4 (Maritime)**'), Q5 - Questionnaire on satellite services for the government industry to customers and competitors ('**Q5 (Government)**'), and Q6 - Questionnaire on satellite services for the fixed data industry to customers and competitors ('**Q6 (Fixed data)**'), question C.A.1.

5.3.2.3.1. Market for the supply of satellite services in the aviation industry

(163) The majority of respondents active in the aviation industry that expressed a view considered that satellite services used for aviation, maritime, government and fixed data applications are only substitutable with one another to a limited extent or not substitutable at all, based on product characteristics, prices and intended use. ([210]) Some of these respondents pointed to specific requirements in the aviation industry such as regulatory requirements, high quality and tailor-made solutions ensuring the technological capabilities to function during flights moving at speeds and altitudes unlike in other industries. ([211])

(164) From a supply-side perspective, only a minority of suppliers in the aviation industry who expressed a view consider that they could switch easily from the supply of satellite services in one industry segment to supplying another industry segment. ([212])

(165) Based on the above, the Commission considers that the results of the market investigation do not justify a departure from its previous practice, that there is a separate market for the supply of satellite services in the aviation industry.

(166) As regards a further segmentation of satellite services supplied to aviation customers based on the technology used, the vast majority of respondents having expressed a view considered that satellite services based on ATG technology and satellite services based on satellite technology are not substitutable in terms of product characteristics, prices and intended use. ([213]) These respondents noted that ATG technology does not effectively cover flights over water and that connectivity speeds and data rates are different. ([214]) Similarly, the vast majority of suppliers having expressed a view submitted that they would not be able to switch easily from supplying satellite services based on ATG technology to supplying satellite services based on satellite technology (and *vice versa*), in a short period of time and without incurring significant costs. ([215])

(167) Based on the above, the Commission considers that it is likely that there are separate markets for the supply of satellite services in the aviation industry based on satellite technology on the one hand and ATG technology on the other hand. However, for the purposes of this Decision, the question whether a distinction should be drawn between satellite and ATG technologies can left open because the Transaction does not raise serious doubts as to its compatibility with the internal market under neither potential market segmentation.

(168) Regarding the potential further segmentation between satellite services for commercial aviation customers and for business aviation customers, the results of the market investigation have been inconclusive. Respondents were split on whether satellite services for commercial aviation customers and for business

([210]) Replies to Q3 (Aviation), question C.A.2.

([211]) One market participant stated: '*Specific for commercial aviation, the 'service' includes numerous elements beyond just transporting data via a satellite network. Some of these other elements include hardware interoperability with the satellite network (e.g., modem), avionics support, complex commercial arrangements including sponsorships, regular software updates, monitoring of performance, service level agreements, marketing support, passenger portal, integration with airline and other databases, economics, market access, etc.*' (reply to Q3 (Aviation), question C.A.2).

([212]) Replies to Q3 (Aviation), question C.A.3.

([213]) Replies to Q3 (Aviation), question C.A.6.

([214]) Replies to Q3 (Aviation), question C.A.6.1.

([215]) Replies to Q3 (Aviation), question C.A.7.

aviation customers constitute a single or separate markets. ([216]) Market participants who did not consider these potential subsegments to be interchangeable pointed out *inter alia* that different terminals are needed for the respective use case, differences in billing (usually a fixed monthly fee per aircraft in business aviation as opposed to a pay-per-use system in commercial aviation), and performance monitoring which is more stringent in commercial aviation. ([217]) On the other hand, respondents who considered these potential subsegments to be interchangeable note that hardware requirements for aviation are usually the same for business and commercial aviation and that the requirements of end users in terms of high throughput, full coverage and low latency are the same. ([218])

(169) In any event, the Commission considers that, for the purposes of this Decision, the question whether the market for the supply of satellite services in the aviation industry should be segmented between commercial and business aviation customers can remain open as the Transaction does not raise serious doubts with the internal market under neither potential market segmentation.

(170) In light of the foregoing, the Commission concludes that, for the purposes of this Decision, there is likely a separate market for the supply of satellite services to customers in the aviation industry. However, for the purposes of the Decision, the exact product market definition can be left open, including the question whether this potential market should be further segmented between commercial and business aviation customers and between satellite-based and ATG-based technology, because the Transaction would not raise doubts as to its compatibility with the internal market under any plausible product market definition.

5.3.2.3.2. Market for the supply of satellite services in the maritime industry

(171) All respondents active in the maritime industry that expressed a view considered that satellite services used for maritime, aviation, government and fixed data applications are only substitutable with one another to a limited extent or not substitutable at all, based on product characteristics, prices and intended use. ([219]) One of the customers stated that '*each segment has unique requirements, such as reliable connectivity in remote oceanic regions for maritime services or secure communications for government applications*. *Pricing also varies significantly, with specialized services often coming at a premium. Additionally, the intended use of these services differs, with maritime services supporting navigation and safety at sea, aviation services providing in-flight connectivity, fixed data services catering to broadband internet, and government services focusing on defense and emergency response'*. ([220])

(172) From a supply-side perspective, the supplier who explained its view considered that switching as a SSP from the supply of satellite services for other industries to supply for the maritime industry requires '*extensive capital investment'* for example to replace terminals and for installation cost. ([221])

(173) In light of the foregoing, the Commission concludes that, for the purposes of this Decision, there is likely a separate market for the supply of satellite services to customers in the maritime industry. However, for the purposes of the Decision,

([216]) Replies to Q3 (Aviation), questions C.A.4, C.A.5.
([217]) Replies to Q3 (Aviation), question C.A.4.
([218]) Replies to Q3 (Aviation), question C.A.4.
([219]) Replies to Q4 (Maritime), question C.A.2.
([220]) Replies to Q4 (Maritime), question C.A.2.1.
([221]) Replies to Q4 (Maritime), question C.A.3.1.

the exact product market definition can be left open because the Transaction would not raise doubts as to its compatibility with the internal market even under this narrower product market definition.

5.3.2.3.3. Market for the supply of satellite services in the government sector

(174) The feedback to the market investigation from market participants active in the government sector was mixed as to whether satellite services used for government, aviation, maritime and fixed data applications are substitutable with one another.

(175) There was a three-way split between respondents regarding the question whether satellite services for the different industry segments are interchangeable, based on product characteristics, prices and intended use. ([222]) The relatively largest proportion was of the opinion that satellite services are indeed interchangeable across all the different industry segments. However, two smaller groups of respondents did not agree or considered that satellite services are only to a certain extent substitutable across the different industry segments. ([223]) One proponent of substitutability of satellite services across industry segments argued that customers increasingly ask for integrated solutions with similar expectations in terms of availability, quality, mobility, and security across industries. Another respondent stated that '*[t]he Satellite Services are suitable and sustainable in all segments'*. ([224]) By contrast, respondents who do not consider that satellite services are substitutable across industry segments pointed out that each industry segment has specific requirements regarding security, user terminals (modems and antennas) and regulation. Further, respondents submitted that the technology used in the government sector is not compatible with other industry segments because of the need for military grade technology and operational excellence. ([225])

(176) From a supply-side perspective, the majority of suppliers in the government sector having expressed a view indicated that they are not able to switch easily from the supply of satellite services for other industries to supply satellite services for the government sector, in a short period of time and without incurring significant costs. ([226]) These respondents submitted that switching to the government sector requires time, investment and diligent planning due to heightened security requirements. ([227])

(177) In light of the foregoing, the Commission concludes that, for the purposes of this Decision, there is likely a separate market for the supply of satellite services to customers in the government sector. However, for the purposes of this Decision, the exact product market definition can be left open because the Transaction would not raise doubts as to its compatibility with the internal market under any plausible product market definition.

5.3.2.3.4. Market for the supply of satellite services in the fixed data industry

(178) The majority of respondents active in the fixed data industry that expressed a view considered that satellite services used for fixed data, aviation, maritime and government applications are only substitutable to a limited extent or not

([222]) Replies to Q5 (Government), question C.A.2.
([223]) Replies to Q5 (Government), question C.A.2.
([224]) Replies to Q5 (Government), question C.A.2.1.
([225]) Replies to Q5 (Government), question C.A.2.1.
([226]) Replies to Q5 (Government), question C.A.3.
([227]) Replies to Q5 (Government), question C.A.3.1.

substitutable at all, based on product characteristics, prices and intended use. ([228]) Respondents who consider them to be not substitutable at all pointed out different requirements by end users between industry segments. ([229])

(179) From a supply-side perspective, more suppliers in the fixed data industry having expressed a view submitted that they cannot switch easily from the supply of satellite services for other industries/end-uses to supply satellite services for the fixed data industry, in a short time and without incurring significant costs. ([230]) Different requirements and market characteristics would lead to significant cost according to these respondents. On the other hand, from the suppliers who consider that satellite services are substitutable across different industry segments one expressed the view that it does not incur significant costs from switching. ([231])

(180) Regarding the potential further segmentation of the market for the supply of satellite services in the fixed data industry between different applications (backhaul & trunking, broadband access and enterprise data), more respondents having expressed a view considered that the different applications within the fixed data industry are interchangeable. ([232]) One of these respondents referred to the different applications as mere '*marketing'* of the same product while another noted that substitutability depends on a case-by-case basis. ([233]) Respondents who do not consider that the different applications are fungible within the fixed data industry submitted that there are different requirements for power, product characteristics and technologies between the applications. Moreover, they argued that backhaul and trunking terminals and baseband usually need to be replaced and that higher service level agreements are required for enterprise networks compared to broadband networks. ([234])

(181) From a supply side perspective, suppliers in the fixed data industry having expressed a view are split as to whether they can switch easily from supplying satellite services for a particular application (e.g., backhaul & trunking) to supplying satellite services for a different application (e.g., enterprise data) in a short time and without incurring significant costs. ([235]) Respondents who do not consider that switching is easy and quick stated that each use case is different, and that considerable cost and time would be needed for implementing a switch. ([236]) One of the suppliers who holds the view that suppliers are able to switch between different applications within the fixed data industry submitted that the applications are interchangeable but still need extra ground equipment. ([237])

(182) In light of the foregoing, the Commission concludes that, for the purposes of this Decision, there is likely a separate market for the supply of satellite services to customers in the fixed data industry. However, for the purposes of the Decision, the exact product market definition can be left open, including the question whether this potential market should be further segmented by applications (backhaul & trunking, broadband access and enterprise data), because the

([228]) Replies to Q6 (Fixed data), question C.A.2.
([229]) Replies to Q6 (Fixed data), question C.A.2.1.
([230]) Replies to Q6 (Fixed data), question C.A.3.
([231]) Replies to Q6 (Fixed data), question C.A.3.1.
([232]) Replies to Q6 (Fixed data), question C.A.4.1.
([233]) Replies to Q6 (Fixed data), question C.A.4.1.
([234]) Replies to Q6 (Fixed data), question C.A.4.1.
([235]) Replies to Q6 (Fixed data), question C.A.5.
([236]) Replies to Q6 (Fixed data), question C.A.5.1.
([237]) Replies to Q6 (Fixed data), question C.A.5.1.

Transaction would not raise doubts as to its compatibility with the internal market under any plausible product market definition.

5.3.2.3.5. Conclusion on the relevant product market for the supply of satellite services

(183) The Commission considers that, for the purposes of this Decision, it can be left open whether the supply of satellite services in each of the aviation, maritime, government and fixed data industries, and any potential segments thereof, constitute distinct product markets, as the Transaction does not raise serious doubts as to its compatibility with the internal market irrespective of whether a broader market comprising all industry segments, or separate markets for each of the aviation, maritime, government and fixed data industries are defined.

(184) On a conservative basis, in this Decision the Commission carries out an assessment separately in relation to each of the aviation, maritime, government and fixed data industries, and any potential segments thereof.

5.3.3. Geographic market definition

5.3.3.1. Commission's precedents

(185) In *Astrium Holding/Vizada Group* and *Apax Partners/Telenor Satellite Services*, the Commission considered that the market for the supply of satellite connectivity services at 'wholesale level', i.e., by SSPs to downstream customers (large end customers and resellers) is worldwide in scope. ([238]) In *Viasat/Inmersat* the Commission considered that the market for the supply of IFC services to business aviation customers is worldwide in scope, while leaving the question open whether the market for the supply of broadband IFC services to commercial aviation customers is EEA-wide or worldwide. ([239])

5.3.3.2. Notifying Party's views

(186) The Notifying Party submits that the appropriate geographic scope for the supply of satellite services in the aviation, maritime, government and fixed data industries is at least Europe-wide or global in scope, for the following reasons.

(187) First, competitors supplying satellite services in one or more of the relevant industries face a common set of rival suppliers, many of whom have established market presence within multiple industry segments on a global or near-global basis. As such there is a diverse range of well-connected, global competitors providing satellite services across all industries worldwide. ([240])

(188) Second, in Europe, prices across industries are typically subject to external pressures that are largely consistent across the region, particularly under current market conditions where an influx of new LEO alternatives are now available to satellite services customers. ([241])

(189) Third, within Europe, there is a commonality in consumption preferences amongst customers within the same industry regardless of their geographic

([238]) Commission decisions of 20 August 2007 in case M.4709 - *Apax Partners/Telenor Satellite Services*, para. 18; and of 30 November 2011 in case M.6393 - *Astrium Holding/Vizada Group,* para.32.
([239]) Commission decision of 25 May 2023 in case M.10807 - *Viasat/Inmarsat,* recitals 134, 153.
([240]) Form CO, paras 616, 619-20.
([241]) Form CO, para. 617.

location. For example, with respect to the industries for which the Parties overlap in the supply of satellite services:

(a) In the fixed data industry, the overall needs of a mobile network operator customer (i.e., a customer within the fixed data industry) are largely similar across the Member States. Whilst requirements for volumetric and bandwidth specifications may differ, the core infrastructure and know-how required to service a customer are in many cases standardised. Furthermore, the Parties' most significant fixed data customers operate in multiple countries and therefore acquire satellite services across multiple countries.

(b) In the government sector, the supply of satellite services tends to take place on a global basis owing to the dispersed connection needs of the customers. Governments may procure, for example, satellite services from suppliers in order to securely connect embassies or defence forces around the world. ([242])

5.3.3.3. Commission's assessment

5.3.3.3.1. Market for the supply of satellite services in the aviation industry

(190) The market investigation indicated that the geographic scope of the market for the supply of satellite services in the aviation industry is worldwide.

(191) The vast majority of respondents having expressed a view submitted that the conditions of competition for the supply of satellite services in the aviation industry (e.g., prices, customers' preferences, number and identity of suppliers, their market strength) are largely similar/homogenous at the worldwide level. ([243])

(192) Furthermore, the vast majority of respondents having expressed a view confirmed that they negotiate contracts for the supply of satellite services in the aviation industry at the worldwide level. ([244])

5.3.3.3.2. Market for the supply of satellite services in the maritime industry

(193) The market investigation indicated that the geographic scope of the market for the supply of satellite services in the maritime industry is worldwide.

(194) All respondents having expressed a view submitted that the conditions of competition for the supply of satellite services in the maritime industry (e.g., prices, customers' preferences, number and identity of suppliers, their market strength) are largely similar/homogenous at the worldwide level. ([245])

(195) Furthermore, all respondents having expressed a view confirmed that they negotiate contracts for the supply of satellite services in the maritime industry at the worldwide level. ([246])

5.3.3.3.3. Market for the supply of satellite services in the government sector

(196) The market investigation indicated that the geographic scope of the market for the supply of satellite services in the government sector may be worldwide or EEA-wide.

([242]) Form CO, para. 618.
([243]) Replies to Q3 (Aviation), question C.B.1.
([244]) Replies to Q3 (Aviation), question C.B.3.
([245]) Replies to Q4 (Maritime), question C.B.1.
([246]) Replies to Q4 (Maritime), question C.B.3.

(197) More respondents having expressed a view indicated that the conditions of competition for the supply of satellite services in the government sector (e.g., prices, customers' preferences, number and identity of suppliers, their market strength) are largely similar/homogenous at the worldwide or the EEA-wide level. ([247]) Factors considered most important were the identity of providers of satellite services and the technical reach of satellites. ([248])

(198) Furthermore, the vast majority of respondents having expressed a view confirmed that they negotiate contracts for the supply of satellite services in the government sector at the worldwide level, with EEA-wide following as second-most frequent response. ([249])

5.3.3.3.4. Market for the supply of satellite services in the fixed data industry

(199) The market investigation indicated that the geographic scope of the market for the supply of satellite services in the fixed data industry is regional.

(200) The majority of respondents having expressed a view submitted that the conditions of competition for the supply of satellite services in the fixed data industry (e.g., prices, customers' preferences, number and identity of suppliers, their market strength) are largely similar/homogenous at regional level. ([250]) In particular, some respondents indicated that Europe – as opposed to other broad regions such as Africa and Middle East – could constitute a relevant region in which the conditions of competition are largely homogenous, while some other respondents pointed to narrower regions within the EEA, such as Western Europe. ([251])

(201) At the same time, the majority of respondents having expressed a view confirmed that they negotiate contracts for the supply of satellite services in the fixed data industry at the worldwide level. ([252])

5.3.3.3.5. Conclusion on the relevant geographic market for the supply of satellite services

(202) The Commission considers that, for the purposes of this Decision, the precise geographic scope of the market can be left open irrespective of whether a broader market comprising all industry segments, or separate markets for each of the aviation, maritime, government and fixed data industries are defined, as the Transaction does not raise serious doubts as to its compatibility with the internal market irrespective of the exact geographic market definition.

(203) In this Decision the Commission carries out its assessment on the basis of both global and EEA-wide markets in relation to the supply of satellite services in the aviation, maritime, government and fixed data industries. In addition, the Commission's competitive assessment regarding the supply of satellite service in the fixed data industry also considers potential regional markets within the EEA, namely Western Europe (mentioned by certain respondents, as indicated in paragraph (200)) as well as other regions such as Eastern Europe, CEE, and

([247]) Replies to Q5 (Government), question C.B.1.
([248]) Replies to Q5 (Government), question C.B.2.
([249]) Replies to Q5 (Government), question C.B.3.
([250]) Replies to Q6 (Fixed data), question C.B.1.
([251]) Replies to Q5 (Government), question C.B.1.1.
([252]) Replies to Q6 (Fixed data), question C.B.3.

Nordic Europe (in alignment with the regions for the media segment, as described in paragraph (140)).

6. COMPETITIVE ASSESSMENT

6.1. Introduction

(204) Section 6.2 sets out the legal framework, and Section 6.3 lays out the market shares of the Parties and their competitors in all the affected markets ([253]) based on the relevant markets set out in Section 5.

(205) The Transaction gives rise to horizontally affected markets between the Parties' activities in: (i) the market for the supply of one-way satellite capacity (for media purposes); and (ii) the market for the supply of two-way satellite capacity. Section 6.4 assesses the horizontal relationships between the Parties' activities in the affected markets. ([254])

(206) In addition, the Transaction will lead to a potential horizontal overlap in the market for the supply of satellite services used in the commercial aviation industry, where Intelsat is currently active and SES had plans to enter prior to and irrespective of the Transaction. Section 6.5 assesses this potential horizontal relationship between the Parties' activities.

(207) Furthermore, the Transaction gives rise to vertically affected markets between the Parties' activities in the market for the supply of two-way satellite capacity (upstream) and the supply of satellite services in each of the commercial aviation, maritime, fixed data and government industries (downstream). Section 6.6 assesses these vertical relationships between the Parties' activities in the affected markets.

6.2. Legal framework

(208) 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.

(209) 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. Non-horizontal effects can be vertical or conglomerate. 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

([253]) Affected markets are all relevant product and geographic markets, as well as plausible alternative relevant product and geographic markets, where the parties' activities overlap horizontally or are vertically related and which do not meet the conditions for review under point 5(d) of the Commission Notice on a simplified treatment of certain concentrations under Council Regulation (EC) No 139/2004 on the control of concentrations between undertakings, OJ C 160, 5.5.2023, p. 1 ('**Notice on Simplified Procedure**'), and do not benefit from the flexibility clauses of point 8 of the Notice on Simplified Procedure. Commission Implementing Regulation (EU) 2023/914 of 20 April 2023 implementing Council Regulation (EC) No 139/2004 on the control of concentrations between undertakings, OJ L 119, 5.5.2023, p. 2, Annex I, para. 25(g).

([254]) The Transaction results in additional horizontal overlaps for a number of other potential markets. However, all of these overlaps fall under point 5 or 8 of the Notice on Simplified Procedure. As a result, they are not considered as affected markets and are therefore not discussed in this Decision.

deriving from a concentration where the undertakings concerned are in a relationship which is neither horizontal nor vertical. A concentration may involve more types of effects. In such a case, the Commission will appraise horizontal and non-horizontal effects in accordance with the guidance set out in the Horizontal Merger Guidelines ([255]) and the Non-Horizontal Merger Guidelines. ([256])

(210) 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. ([257])

(211) In relation to **horizontal effects**, the Horizontal Merger Guidelines ([258]) describe two main ways in which horizontal mergers may significantly impede effective competition. In particular, the proposed concentration might be creating or strengthening a dominant position: (i) by eliminating important competitive constraints on one or more firms, which consequently would have increased market power, without resorting to coordinated behaviour (non-coordinated effects); and (ii) by changing the nature of competition in such a way that firms that previously were not coordinating their behaviour, are significantly more likely to coordinate and raise prices or otherwise harm effective competition (coordinated effects).

(212) A merger giving rise to horizontal non-coordinated effects might significantly impede effective competition by creating or strengthening the dominant position of a single firm, one which, typically, would have an appreciably larger market share than the next competitor post-merger. Moreover, also mergers that do not lead to the creation of or the strengthening of a single firm's dominant position may give rise to competition concerns under the substantive test set out in Article 2(2) and Article 2(3) of the Merger Regulation. Regarding mergers in oligopolistic markets, the Merger Regulation clarifies that '*under certain circumstances, concentrations involving the elimination of important competitive constraints that the merging parties exerted upon each other, as well as a reduction of competitive pressure on the remaining competitors, may, even in the absence of a likelihood of coordination between the members of the oligopoly, result in a significant impediment to effective competition*'. ([259])

(213) 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

([255]) Guidelines on the assessment of horizontal mergers under the Council Regulation on the control of concentrations between undertakings, OJ C 31, 5.2.2004, p. 5 ('**Horizontal Merger Guidelines**').

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

([257]) Non-Horizontal Merger Guidelines, para. 20.

([258]) Horizontal Merger Guidelines, para. 22.

([259]) Merger Regulation, recital 25. Similar wording is also found in para. 25 of the Horizontal Merger Guidelines.

competitive force. Not all those factors need to be present to make significant non-coordinated effects likely and it is not an exhaustive list. ([260])

(214) In relation to **non-horizontal non-coordinated effects**, the Non-Horizontal Merger Guidelines distinguish between two broad types of non-horizontal relationships: vertical relationships and conglomerate relationships. Vertical relationships involve companies operating at different levels of a supply chain where the vertical relationship is that of supplier or customer, whereas conglomerate relationships are between firms that are in a relationship which is neither horizontal nor vertical. In practice, the Commission will focus its assessment on mergers between firms that are active in closely related markets (e.g. mergers involving suppliers of complementary products or products that belong to the same product range). ([261])

(215) According to the Non-horizontal Merger Guidelines, non-coordinated effects may significantly impede effective competition as a result of a vertical merger if such merger gives rise to foreclosure concerns. Foreclosure occurs where actual or potential competitors' access to supplies or markets is hampered or eliminated as a result of the merger, thereby reducing those companies' ability and/or incentive to compete. ([262]) Such foreclosure may discourage entry or expansion of competitors or encourage their exit. ([263])

(216) The Non-Horizontal Merger Guidelines distinguishes between two forms of vertical foreclosure. Input foreclosure occurs where the merger is likely to raise the costs of downstream competitors by restricting their access to an important input. ([264]) Customer foreclosure occurs where the merger is likely to foreclose upstream competitors by restricting their access to a sufficient customer base. ([265])

(217) Foreclosure may also take more subtle forms, such as the degradation of the quality of input supplied. In its assessment, the Commission may consider a series of alternative or complementary possible strategies. ([266])

6.2.1. Input foreclosure

(218) Pursuant to the Non-Horizontal Merger Guidelines, input foreclosure arises where, post-merger, the new entity would be likely to restrict access to the products or services that it would have otherwise supplied absent the merger, thereby raising its downstream rivals' costs by making it harder for them to obtain supplies of the input under similar prices and conditions as absent the merger. ([267])

(219) For input foreclosure to be a concern, the vertically integrated firm should have a significant degree of market power in the upstream market. Only when the merged firm has such a significant degree of market power, can it be expected that it will significantly influence the conditions of competition in the upstream market and thus, possibly, the prices and supply conditions in the downstream market. ([268])

([260]) Horizontal Merger Guidelines, para. 26.
([261]) Non-Horizontal Merger Guidelines, paras 3-5.
([262]) Non-Horizontal Merger Guidelines, para. 18.
([263]) Non-Horizontal Merger Guidelines, para. 29.
([264]) The term 'input' is used here as a generic term and may also cover services. Non-Horizontal Merger Guidelines, footnote 24.
([265]) Non-Horizontal Merger Guidelines, para. 30.
([266]) Non-Horizontal Merger Guidelines, para. 33.
([267]) Non-Horizontal Merger Guidelines, para. 31.
([268]) Non-Horizontal Merger Guidelines, para. 35.

(220) In assessing the likelihood of an anticompetitive input foreclosure scenario, the Commission examines, first, whether the merged entity would have, post-merger, the ability to substantially foreclose access to inputs, second, whether it would have the incentive to do so, and third, whether a foreclosure strategy would have a significant detrimental effect on competition downstream. ([269])

(221) The three conditions for assessing vertical effects (ability, incentive, effect) are cumulative. The absence of any of them is sufficient to rule out the likelihood of anti-competitive input foreclosure. ([270])

6.2.2. Customer foreclosure

(222) Pursuant to the Non-Horizontal Merger Guidelines, customer foreclosure may occur when a supplier integrates with an important customer in the downstream market and because of this downstream presence, the merged entity may foreclose access to a sufficient customer base to its actual or potential rivals in the upstream market (the input market) and reduce their ability or incentive to compete, which in turn, may raise downstream rivals' costs by making it harder for them to obtain supplies of the input under similar prices and conditions as absent the merger. This may allow the merged entity profitably to establish higher prices on the downstream market. ([271])

(223) For customer foreclosure to be a concern, a vertical merger must involve a company which is an important customer with a significant degree of market power in the downstream market. If, on the contrary, there is a sufficiently large customer base, at present or in the future, that is likely to turn to independent suppliers, the Commission is unlikely to raise competition concerns on that ground. ([272])

(224) In assessing the likelihood of an anticompetitive customer foreclosure scenario, the Commission examines, first, whether the merged entity would have the ability to foreclose access to downstream markets by reducing its purchases from its upstream rivals, second, whether it would have the incentive to reduce its purchases upstream, and third, whether a foreclosure strategy would have a significant detrimental effect on consumers in the downstream market. ([273])

(225) The three conditions for assessing vertical effects (ability, incentive, effect) are cumulative. The absence of any of them is sufficient to rule out the likelihood of anti-competitive customer foreclosure. ([274])

6.3. Market shares

(226) According to the Horizontal Merger Guidelines ([275]) and the Non-Horizontal Merger Guidelines, ([276]) in the assessment of the effects of a merger, market

([269]) Non-Horizontal Merger Guidelines, para. 32.
([270]) See, for example, General Court judgement of 23 May 2019, *KPN BV v Commission,* T-370/17, ECLI:EU:T:2019:354, para. 119.
([271]) Non-Horizontal Merger Guidelines, para. 58.
([272]) Non-Horizontal Merger Guidelines, para. 61.
([273]) Non-Horizontal Merger Guidelines, para. 59.
([274]) See, for example, General Court judgement of 23 May 2019, *KPN BV v Commission,* T-370/17, ECLI:EU:T:2019:354, para. 119 for input foreclosure; the same considerations must also apply mutatis mutandis to customer foreclosure.
([275]) Horizontal Merger Guidelines, para. 14.
([276]) Non-Horizontal Merger Guidelines'), para. 24.

shares constitute a useful first indication of the structure of the markets at stake and of the competitive importance of the relevant market players.

(227) In this Section, the Commission presents the market shares of the Parties and their main competitors in all plausible markets/segments listed in Section 5 above where:

(a) The Parties have horizontally overlapping activities that give rise to the following affected markets (see also Table 50 and Table 51):

- One-way satellite capacity (for media purposes), All Bandwidths (broadband and narrowband) -- Worldwide, EEA, Western Europe, Eastern Europe
- One-way satellite capacity (for media purposes), Broadband -- Worldwide, EEA, Western Europe, Eastern Europe
- One-way satellite capacity (for media purposes), All Orbits (GEO and LEO) -- Worldwide, EEA, Western Europe, Eastern Europe
- One-way satellite capacity (for media purposes), GEO -- Worldwide, EEA, Western Europe, Eastern Europe
- One-way satellite capacity (for media purposes), All Satellites (HTS and wide-beam) -- Worldwide, EEA, Western Europe, Eastern Europe
- One-way satellite capacity (for media purposes), Wide-beam -- Worldwide, EEA, Western Europe, Eastern Europe
- One-way satellite capacity (for media purposes), All Frequencies (Ku-, Ka-and C-) -- Worldwide, EEA, Western Europe, Eastern Europe
- One-way satellite capacity (for media purposes), Ku-band -- Worldwide, EEA, Western Europe, Eastern Europe
- One-way satellite capacity (for media purposes), DTH -- Worldwide, EEA, Western Europe, Eastern Europe
- One-way satellite capacity (for media purposes), FTA -- Worldwide, EEA, Western Europe, Eastern Europe
- One-way satellite capacity (for media purposes), Cable -- Worldwide, EEA, Western Europe, Eastern Europe
- Two-way satellite capacity, All satellite types, C-band -- Global
- Two-way satellite capacity, HTS GEO, Ku-band -- Global, EEA
- Two-way satellite capacity, Wide-beam GEO, all frequency bands -- Global, EEA
- Two-way satellite capacity, Wide-beam GEO, Ka-band -- Global
- Two-way satellite capacity, Wide-beam GEO, Ku-band -- Global, EEA
- Two-way satellite capacity, Wide-beam GEO, C-band -- Global

(b) Only one Party (Intelsat) is currently active, and the other Party (SES) can be considered as a potential entrant, namely in the market for the supply of satellite services in the commercial aviation industry; and

(c) The Parties have vertically related activities that give rise to affected markets, namely the market for the supply of two-way satellite capacity

(upstream), and the markets for the supply of satellite services in each of the commercial aviation, maritime, fixed data and government industries (downstream) namely: ([277])

Upstream: Two-way satellite capacity:

- All satellite types, C-band -- Worldwide, EEA
- HTS, C-band -- Worldwide, EEA
- HTS GEO, Ku-band -- Worldwide
- HTS GEO, C-band -- Worldwide, EEA
- Wide-beam GEO, all frequency bands -- Worldwide, EEA
- Wide-beam GEO, Ka-band -- Worldwide, EEA
- Wide-beam GEO Ku-band -- Worldwide, EEA
- Wide-beam GEO C-band -- Worldwide, EEA

Downstream:

- Satellite services in the aviation industry, All technologies -- Worldwide, EEA
- Satellite services in the aviation industry, Satellite technology only -- Worldwide, EEA
- Satellite services in the maritime industry -- Worldwide, EEA
- Satellite services in the fixed data industry (overall) -- Worldwide, EEA, Western Europe, Eastern Europe, CEE, Nordic Europe
- Satellite services in the fixed data industry, Backhaul & Trunking, -- Worldwide, EEA, Western Europe, Eastern Europe, CEE, Nordic Europe
- Satellite services in the fixed data industry, Broadband Access, -- Worldwide, EEA, Western Europe, Eastern Europe, CEE, Nordic Europe
- Satellite services in the fixed data industry, Enterprise Data -- Worldwide, EEA, Western Europe, Eastern Europe, CEE, Nordic Europe
- Satellite services in the government industry -- Worldwide, EEA

(228) For clarity, there is no overlap between the Parties in a possible market for narrowband satellite capacity as neither of them supplies narrowband capacity. ([278])

([277]) The Parties' individual and combined market shares remain below 20%, at both the global and EEA-wide level, in a potential overall market for the supply of satellite services across all industry segments (Notifying Party's response of 5 June 2025 to the Commission RFI 15).

([278]) Form CO, para. 394. Even if both broadband and narrowband Satellite Capacity were to be considered together in a broader market definition, the Parties market shares would necessarily be no larger and would be smaller due to the addition of narrowband satellite capacity provided by other parties to the denominator. The market shares provided by the Parties consider market sizes which are based on the supply of satellite capacity via broadband frequencies only, which is consistent with their activities. To the extent that the supply of satellite capacity via narrowband

6.3.1. Market for the supply of one-way satellite capacity (for media purposes)

(229) Tables 1 to 24 provide an overview of the Parties' and their main competitors' market shares for 2021-24 in the market for the supply of one-way satellite capacity (for media purposes), as well as in the potential segments for DTH, FTA and cable distribution, at the worldwide, EEA-wide and regional level i.e., Western Europe and Eastern Europe.

(230) For the following plausible markets that the Commission has left open (paragraph (107)), the Commission considers the following.

(a) Orbit (GEO or LEO):

- GEO: the market share tables in this Section 6.3.1 are for GEO satellite capacity.
- LEO (and for the broader market of GEO and LEO): the competitive assessment does not rely on market shares for LEO satellite capacity, because the Parties do not own or operate any LEO satellites (paragraph (42)) and LEOs are not considered an alternative (paragraph (326)).

(b) Satellite type (wide-beam or HTS):

- Wide-beam (and for the broader market of wide-beam and HTS): the market share tables in this Section 6.3.1 are across all satellite types (i.e., both wide-beam and HTS), which will also be used as a proxy for wide-beam satellite capacity, because wide-beam is the main relevant technology. ([279])
- HTS: the competitive assessment does not rely on market shares, because there is no overlap between the Parties for HTS technology in Europe. ([280])

(c) Frequency band (Ku-, Ka-, C-band):

- Ku band (and broader market across frequency bands): the market share tables in this Section 6.3.1 are across all frequency bands, which will also be used as a proxy for the Ku-band, because the Ku-band is the main frequency band. ([281])
- Each of Ka-band and C-band: the competitive assessment does not rely on market shares as neither SES nor Intelsat used Ka-band or C-band for any of the media transmissions distributed using their satellite capacity in Europe in 2024. ([282])

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frequencies was added to these market sizes, the Parties' combined market shares would be lower than their broadband market shares.

([279]) The Notifying Party has provided Lyngsat and Novaspace data showing that at least 96% of media channel transmissions via satellite in Europe used wide-beam satellites in 2024 (this figure could be as high as 99.7% depending on the classification of transmissions made from satellites equipped with both wide-beam and HTS capabilities). Notifying Party's response of 28 May 2025 to the Commission RFI 13, para. 1.1.

([280]) Notifying Party's response of 28 May 2025 to the Commission RFI 13, para. 1.4.

([281]) The Notifying Party has provided Lyngsat data showing the shares of Ku-band transmissions in Europe for 2021-24 for each distribution method: these shares range from 96.9% for FTA in 2022 up to 100% for DTH in 2022 to 2024. According to the Notifying Party, any market shares for Ku-band would not materially differ from the other market shares for the supply of one-way satellite capacity across all frequency bands. Notifying Party's response of 27 May 2025 to the Commission RFI 12, paras 2.1., 2.2.

([282]) Notifying Party's response of 27 May 2025 to the Commission RFI 12, question 2, para. 2.4.

(d) Orbital locations:

- The market share tables in this Section 6.3.1 are across all orbital locations.
- Each orbital location: the Parties do not overlap in any orbital location (paragraph (40)). However, the Commission will take certain orbital locations into account, namely when one of the Parties and a competitor are on the same orbital location.

(e) Distribution types (DTH, FTA, cable), see Tables 9 to 24.

(231) When looking at the regional level (as set out in paragraphs (134) and (140)), there are only affected markets (whose meaning is recalled in footnote 253) in the regions in the market share tables below: Western Europe and Eastern Europe. ([283])

6.3.1.1. One-way satellite capacity (for media purposes)

(232) Tables 1 to 8 provide an overview of the Parties and their main competitors' market shares for 2021-2024 in the market for one-way satellite capacity (for media purposes) based on number of transmissions ([284]) and revenues. ([285]) ([286])

([283]) Notifying Party's response of 23 May 2025 to Commission's RFI 11, question 1.

([284]) Form CO, para. 858 and Annexes 16 and 32. Transmission-based market shares for all the tables in section 6.3.1 have been extracted from Lygnsat's dataset for 2023 and 2024 ('**Lyngsat dataset'**). Lyngsat consolidates information on TV and radio channels transmitted via satellites. Satellite operators including the Parties subscribe to Lyngsat to receive quarterly data, including on media satellite transmissions, covering elements such as channel name, satellite, frequency band, beam.

([285]) Form CO, para. 891 and Annex 32. Revenue-based market shares for all the tables in section 6.3.1 have been extracted from Analysys Mason (former NSR), 'Global Satellite Capacity Supply & Demand' reports, 19th -21st Editions ('**Analysys Mason reports**'): market size estimates for 2021 from the 19th edition of the report, published in July 2022; for 2022 and 2023 from the 20th edition published in June 2023; and for 2024 from the 21st edition published in August 2024.

([286]) Form CO, paras 857-58. With respect of the appropriate methodology for calculation of market shares for the supply of one-way satellite capacity in the media segment, the Parties consider transmission-based shares to be appropriate as this is the method used by both Parties in the ordinary course of business to estimate their respective market positions. The Parties do not consider revenues to be appropriate for the assessment of the Transaction because: (i) due to data limitations, the Parties are unable to estimate revenue-based shares for their competitors; and (ii) the Parties' own revenue figures are based on billing country for the customer, not on the location where satellite capacity is supplied. Thus, all revenues relating to a customer located in a European country that also obtains satellite capacity for transmissions in other jurisdictions would be allocated to that European country (even though that satellite capacity is not provided in Europe). The Parties' revenues for certain European countries are therefore likely outsized as compared to their actual competitive presence in those countries. Therefore, in turn the revenue-based shares likely overestimate the Parties' respective competitive presence. The Parties note that the transmissions-based market shares estimates are not affected by a similar issue.

Table 1: One-way satellite capacity (for media purposes) – Overall, Transmissions, Worldwide

Company	2021		2022		2023		2024	
	Transmissions	Share	Transmissions	Share	Transmissions	Share	Transmissions	Share
SES	[…]	[10-20]%	[…]	[10-20]%	[…]	[10-20]%	[…]	[10-20]%
Intelsat	[…]	[10-20]%	[…]	[10-20]%	[…]	[5-10]%	[…]	[5-10]%
Combined	[…]	[20-30]%	[…]	[20-30]%	[…]	[20-30]%	[…]	[20-30]%
Eutelsat	[…]	[10-20]%	[…]	[10-20]%	[…]	[10-20]%	[…]	[10-20]%
AT&T	[…]	[5-10]%	[…]	[5-10]%	[…]	[5-10]%	[…]	[5-10]%
Echostar	[…]	[5-10]%	[…]	[5-10]%	[…]	[5-10]%	[…]	[5-10]%
Telesat	[…]	[5-10]%	[…]	[5-10]%	[…]	[5-10]%	[…]	[5-10]%
Indian National Satellite (‘**INSAT**’)	[…]	[0-5]%	[…]	[0-5]%	[…]	[0-5]%	[…]	[0-5]%
ArabSat/ Hellas Sat	[…]	[0-5]%	[…]	[0-5]%	[…]	[0-5]%	[…]	[0-5]%
Star One	[…]	[0-5]%	[…]	[0-5]%	[…]	[0-5]%	[…]	[0-5]%
RSCC	[…]	[0-5]%	[…]	[0-5]%	[…]	[0-5]%	[…]	[0-5]%
Measat	[…]	[0-5]%	[…]	[0-5]%	[…]	[0-5]%	[…]	[0-5]%
Hispasat	[…]	[0-5]%	[…]	[0-5]%	[…]	[0-5]%	[…]	[0-5]%
Others	[…]	[20-30]%	[…]	[20-30]%	[…]	[20-30]%	[…]	[20-30]%
Total	[…]	100.0%	[…]	100.0%	[…]	100.0%	[…]	100.0%

Source: Form CO, Table 62, Lyngsat dataset and supplementary information from the Parties.

Table 2: One-way satellite capacity (for media purposes) – Overall, Revenue, Worldwide

Company	2021	2022	2023	2024
SES	[10-20]%	[10-20]%	[20-30]%	[20-30]%
Intelsat	[10-20]%	[10-20]%	[10-20]%	[10-20]%
Combined	[30-40]%	[30-40]%	[30-40]%	[30-40]%
Others	[60-70]%	[60-70]%	[60-70]%	[60-70]%
Total	100.0%	100.0%	100.0%	100.0%

*Source: Notifying Party’s response to Commission’s request for information (‘**RFI**’) 10, Table 9; Parties’ transaction data; and Analysys Mason reports.*

Table 3: One-way satellite capacity (for media purposes) – Overall, Transmissions, EEA ([287])

Company	2021		2022		2023		2024	
	Transmissions	Share	Transmissions	Share	Transmissions	Share	Transmissions	Share
SES	[…]	[30-40]%	[…]	[30-40]%	[…]	[30-40]%	[…]	[30-40]%
Intelsat	[…]	[5-10]%	[…]	[5-10]%	[…]	[5-10]%	[…]	[0-5]%
Combined	[…]	[40-50]%	[…]	[30-40]%	[…]	[30-40]%	[…]	[30-40]%
Eutelsat	[…]	[30-40]%	[…]	[30-40]%	[…]	[30-40]%	[…]	[40-50]%
Space Norway	[…]	[5-10]%	[…]	[5-10]%	[…]	[5-10]%	[…]	[5-10]%
ArabSat / Hellas Sat	[…]	[5-10]%	[…]	[5-10]%	[…]	[5-10]%	[…]	[5-10]%
Hispasat	[…]	[0-5]%	[…]	[0-5]%	[…]	[0-5]%	[…]	[0-5]%
BulgariaSat	[…]	[0-5]%	[…]	[0-5]%	[…]	[0-5]%	[…]	[0-5]%
AMOS Spacecom	[…]	[0-5]%	[…]	[0-5]%	[…]	[0-5]%	[…]	[0-5]%
Others	[…]	[0-5]%	[…]	[0-5]%	[…]	[0-5]%	[…]	[0-5]%
Total	[…]	100.0%	[…]	100.0%	[…]	100.0%	[…]	100.0%

Source: Form CO, Table 63, Lyngsat dataset; and supplementary information from the Parties.

([287]) For one-way satellite capacity (for media purposes), the Decision uses ‘**EEA**’ to include, based on the available third-party reports, ‘Western Europe’ (which includes Austria, Belgium, Denmark, Finland, France, Germany, Greece, Guernsey, Iceland, Ireland, Italy, Luxembourg, Malta, Monaco, Netherlands, Norway, Portugal, San Marino, Spain, Sweden, Switzerland, United Kingdom, and Vatican City) and Eastern Europe (which includes Albania, Belarus, Bosnia and Herzegovina, Bulgaria, Croatia, Czechia, Estonia, Hungary, Latvia, Liechtenstein, Lithuania, Moldova, Montenegro, North Macedonia, Poland, Romania, Serbia, Slovakia, Slovenia, and Ukraine). EEA excludes the regions ‘Russia & CIS’ (Armenia, Azerbaijan, Georgia, and Russia) and ‘Middle-

Table 4: One-way satellite capacity (for media purposes) – Overall, Revenue ([288]), EEA

Company	2021	2022	2023	2024
SES	[30-40]%	[30-40]%	[30-40]%	[30-40]%
Intelsat	[0-5]%	[0-5]%	[0-5]%	[0-5]%
Combined	[30-40]%	[30-40]%	[40-50]%	[40-50]%
Others	[60-70]%	[60-70]%	[50-60]%	[50-60]%
Total	100.0%	100.0%	100.0%	100.0%

Source: Notifying Party's response to Commission's RFI 10, Table 12; Parties' transaction data; and Analysys Mason reports.

East & North Africa' (which includes Cyprus and Turkey). Form CO, para. 864; Notifying Party's response to Commission's RFI 11, paras 5.1, 5.2, 5.5. Neither the Lyngsat dataset listing all media channel transmissions, nor the Analysys Mason reports provide data on a more granular geographic level than Western Europe and Eastern Europe. Both of these regions still include several non-EEA countries, such as the UK, Switzerland, Serbia, and Ukraine. With regards to the transmissions-based market shares analysis, SES determines the relevant target region of each transmission in the Lyngsat dataset based on the geographic area covered by the beam used for the transmission. As the beam of a satellite typically covers multiple countries, it is not possible to identify media channel transmissions to individual countries or small sub-regions based on this approach. The Parties consider these market shares provided in the Form CO to be an appropriate proxy for, and sufficiently accurate to assess competition in the market for the supply of satellite capacity in the media segment in the EEA

([288]) This table includes market shares based on billing location. The Notifying Party has also provided 2024 revenue-based market shares based on where the service is provided for the market for one-way satellite capacity (for media purposes), as well as for the DTH and FTA & cable segments, in Europe. Further, the Notifying Party has only provided market shares for the same markets/segments in Western Europe and Eastern Europe based on where the service is provided. In certain cases, when taking into consideration the market shares based on where the service is provided, these markets would not be affected (as para. 5 of the Notice on Simplified Procedure would apply) but would nonetheless be affected based on billing location revenues. Whenever this was the case, the Commission took a conservative approach and considered the market as affected relying on market shares based on billing location. The opposite does not occur, i.e., there are no markets that would be affected only when taking into consideration market shares based on where the service is provided.

Table 5: One-way satellite capacity (for media purposes) – Overall, Transmissions, Eastern Europe ([289])

Company	2021		2022		2023		2024	
	Transmissions	Share	Transmissions	Share	Transmissions	Share	Transmissions	Share
SES	[...]	[20-30]%	[...]	[20-30]%	[...]	[20-30]%	[...]	[20-30]%
Intelsat	[...]	[10-20]%	[...]	[10-20]%	[...]	[10-20]%	[...]	[5-10]%
Combined	[...]	[30-40]%	[...]	[30-40]%	[...]	[30-40]%	[...]	[30-40]%
Eutelsat	[...]	[20-30]%	[...]	[20-30]%	[...]	[20-30]%	[...]	[30-40]%
ArabSat / Hellas Sat	[...]	[10-20]%	[...]	[10-20]%	[...]	[10-20]%	[...]	[10-20]%
Space Norway	[...]	[5-10]%	[...]	[5-10]%	[...]	[10-20]%	[...]	[10-20]%
BulgariaSat	[...]	[5-10]%	[...]	[5-10]%	[...]	[5-10]%	[...]	[0-5]%
AMOS Spacecom	[...]	[5-10]%	[...]	[0-5]%	[...]	[0-5]%	[...]	[0-5]%
Belintersat	[...]	[0-5]%	[...]	[0-5]%	[...]	[0-5]%	[...]	[0-5]%
Others	[...]	[0-5]%	[...]	[0-5]%	[...]	[0-5]%	[...]	[0-5]%
Total	[...]	100.0%	[...]	100.0%	[...]	100.0%	[...]	100.0%

Source: Form CO, Table 75, Lyngsat dataset; and supplementary information from the Parties.

Table 6: ([290]) One-way satellite capacity (for media purposes) – Overall, Revenue ([291]), Eastern Europe ([292])

Company	2021	2022	2023	2024
SES	[5-10]%	[5-10]%	[0-5]%	[0-5]%
Intelsat	[0-5]%	[0-5]%	[0-5]%	[0-5]%
Combined	[10-20]%	[5-10]%	[5-10]%	[5-10]%
Others	[80-90]%	[90-100]%	[90-100]%	[90-100]%
Total	100.0%	100.0%	100.0%	100.0%

Source: Notifying Party's follow-up response of 9 May 2025 to Commission's RFI 9, Table 7; Parties' transaction data; and Analysys Mason reports.

([289]) Form CO, para. 864. The Notifying Party submits that the identification of transmissions to Western Europe and Eastern Europe is not part of the Lyngsat data, but it is added by SES by manually matching the information on the satellite used for each transmission with information on the geographic area covered by the satellite beam, as extracted from SatBeams Data. As noted in footnote 287, it is based on a definition of Western Europe and Eastern Europe, and it excludes the regions 'Russia & CIS' and 'Middle-East & North Africa'.

([290]) Table included because the same market is an affected market for transmissions.

([291]) Revenues for Eastern Europe are identified based on where the service is being provided.

([292]) Notifying Party's response of 5 May 2025 to Commission's RFI 9, para. 1.8. The Parties note that the definition of Western Europe and Eastern Europe adopted by Analysys Mason (and followed to identify the relevant Parties' media revenues to be used as numerators) differs from the definition adopted by SES to identify the relevant target region of the channel transmissions listed in the Lyngsat dataset. Most notably, Analysys Mason's definition of Eastern Europe includes countries such as Russia and Turkey, which have a large demand for DTH and FTA channel transmissions. As such, these revenue-based market shares estimates are not directly comparable with the transmissions-based market shares.

Table 7: One-way satellite capacity (for media purposes) – Overall, Transmissions, Western Europe

Company	2021		2022		2023		2024	
	Transmissions	Share	Transmissions	Share	Transmissions	Share	Transmissions	Share
SES	[...]	[40-50]%	[...]	[30-40]%	[...]	[30-40]%	[...]	[30-40]%
Intelsat	[...]	[0-5]%	[...]	[0-5]%	[...]	[0-5]%	[...]	[0-5]%
Combined	[...]	[40-50]%	[...]	[30-40]%	[...]	[40-50]%	[...]	[30-40]%
Eutelsat	[...]	[40-50]%	[...]	[40-50]%	[...]	[40-50]%	[...]	[40-50]%
Space Norway	[...]	[5-10]%	[...]	[5-10]%	[...]	[5-10]%	[...]	[5-10]%
Hispasat	[...]	[5-10]%	[...]	[5-10]%	[...]	[0-5]%	[...]	[0-5]%
ArabSat / Hellas Sat	[...]	[0-5]%	[...]	[0-5]%	[...]	[0-5]%	[...]	[0-5]%
Others	[...]	[0-5]%	[...]	[0-5]%	[...]	[0-5]%	[...]	[0-5]%
Total	[...]	100.0%	[...]	100.0%	[...]	100.0%	[...]	100.0%

Source: Form CO, Table 71, Lyngsat dataset; and supplementary information from the Parties.

Table 8: One-way satellite capacity (for media purposes) – Overall, Revenue ([293]), Western Europe

Company	2021	2022	2023	2024
SES	[50-60]%	[50-60]%	[60-70]%	[70-80]%
Intelsat	[0-5]%	[0-5]%	[0-5]%	[0-5]%
Combined	[50-60]%	[50-60]%	[60-70]%	[70-80]%
Others	[40-50]%	[40-50]%	[30-40]%	[20-30]%
Total	100.0%	100.0%	100.0%	100.0%

Source: Notifying Party's follow-up response to Commission's RFI 9, Table 6; Parties' transaction data; and Analysys Mason reports.

(233) Based on 2024 data, the Parties' combined market shares in the market for one-way satellite capacity (for media purposes) which give rise to horizontally affected markets are the following:

(a) Worldwide: [30-40]% (based on revenue);

(b) EEA-wide: [30-40]% (based on transmissions) and [40-50]% (based on revenue);

(c) Eastern Europe: [30-40]% (based on transmissions); and

(d) Western Europe: [70-80]% (based on revenue).

([293]) Revenues for Western Europe are identified based on where the service is being provided.

6.3.1.2. DTH distribution

(234) Tables 9 to 14 provide an overview of the Parties and their main competitors' market shares for 2021-24 in the potential segment for DTH distribution, based on number of transmissions and revenues.

Table 9: One-way satellite capacity (for media purposes) – DTH, Transmissions, Worldwide

Company	2021		2022		2023		2024	
	Transmissions	Share	Transmissions	Share	Transmissions	Share	Transmissions	Share
SES	[...]	[10-20]%	[...]	[10-20]%	[...]	[10-20]%	[...]	[10-20]%
Intelsat	[...]	[5-10]%	[...]	[5-10]%	[...]	[5-10]%	[...]	[5-10]%
Combined	[...]	[20-30]%	[...]	[20-30]%	[...]	[20-30]%	[...]	[20-30]%
Eutelsat	[...]	[10-20]%	[...]	[10-20]%	[...]	[10-20]%	[...]	[10-20]%
AT&T	[...]	[10-20]%	[...]	[10-20]%	[...]	[10-20]%	[...]	[10-20]%
Echostar	[...]	[10-20]%	[...]	[10-20]%	[...]	[10-20]%	[...]	[10-20]%
Telesat	[...]	[5-10]%	[...]	[5-10]%	[...]	[5-10]%	[...]	[5-10]%
INSAT	[...]	[0-5]%	[...]	[0-5]%	[...]	[0-5]%	[...]	[0-5]%
Measat	[...]	[0-5]%	[...]	[0-5]%	[...]	[0-5]%	[...]	[0-5]%
Hispasat	[...]	[0-5]%	[...]	[0-5]%	[...]	[0-5]%	[...]	[0-5]%
Star One	[...]	[0-5]%	[...]	[0-5]%	[...]	[0-5]%	[...]	[0-5]%
Others	[...]	[10-20]%	[...]	[20-30]%	[...]	[20-30]%	[...]	[20-30]%
Total	[...]	100.0%	[...]	100.0%	[...]	100.0%	[...]	100.0%

Source: Form CO, Table 64, Lyngsat dataset; and supplementary information from the Parties.

Table 10: One-way satellite capacity (for media purposes) – DTH, Revenue, Worldwide

Company	2021	2022	2023	2024
SES	[20-30]%	[10-20]%	[20-30]%	[20-30]%
Intelsat	[10-20]%	[10-20]%	[10-20]%	[10-20]%
Combined	[30-40]%	[30-40]%	[30-40]%	[30-40]%
Others	[60-70]%	[60-70]%	[60-70]%	[60-70]%
Total	100.0%	100.0%	100.0%	100.0%

Source: Notifying Party's response to Commission's RFI 10, Table 10; Parties' transaction data; and Analysys Mason reports.

Table 11: One-way satellite capacity (for media purposes) – DTH, Transmissions, EEA

Company	2021		2022		2023		2024	
	Transmissions	Share	Transmissions	Share	Transmissions	Share	Transmissions	Share
SES	[...]	[30-40]%	[...]	[30-40]%	[...]	[30-40]%	[...]	[30-40]%
Intelsat	[...]	[5-10]%	[...]	[5-10]%	[...]	[5-10]%	[...]	[5-10]%
Combined	[...]	[40-50]%	[...]	[40-50]%	[...]	[40-50]%	[...]	[40-50]%
Eutelsat	[...]	[20-30]%	[...]	[30-40]%	[...]	[30-40]%	[...]	[30-40]%
Space Norway	[...]	[5-10]%	[...]	[5-10]%	[...]	[10-20]%	[...]	[5-10]%
ArabSat / Hellas Sat	[...]	[5-10]%	[...]	[5-10]%	[...]	[5-10]%	[...]	[5-10]%
BulgariaSat	[...]	[0-5]%	[...]	[0-5]%	[...]	[0-5]%	[...]	[0-5]%
AMOS Spacecom	[...]	[0-5]%	[...]	[0-5]%	[...]	[0-5]%	[...]	[0-5]%
Others	[...]	[0-5]%	[...]	[0-5]%	[...]	[0-5]%	[...]	[0-5]%
Total	[...]	100.0%	[...]	100.0%	[...]	100.0%	[...]	100.0%

Source: Form CO, Table 65, Lyngsat dataset; and supplementary information from the Parties.

Table 12: One-way satellite capacity (for media purposes) – DTH, Revenue, EEA

Company	2021	2022	2023	2024
SES	[20-30]%	[20-30]%	[30-40]%	[30-40]%
Intelsat	[5-10]%	[0-5]%	[5-10]%	[5-10]%
Combined	[30-40]%	[30-40]%	[30-40]%	[40-50]%
Others	[60-70]%	[60-70]%	[60-70]%	[50-60]%
Total	100.0%	100.0%	100.0%	100.0%

Source: Notifying Party's response to Commission's RFI 10, Table 13; Parties' transaction data; and Analysys Mason reports.

Table 13: One-way satellite capacity (for media purposes) – DTH, Transmissions, Eastern Europe

Company	2021		2022		2023		2024	
	Transmissions	Share	Transmissions	Share	Transmissions	Share	Transmissions	Share
SES	[…]	[20-30]%	[…]	[20-30]%	[…]	[10-20]%	[…]	[20-30]%
Intelsat	[…]	[10-20]%	[…]	[10-20]%	[…]	[10-20]%	[…]	[10-20]%
Combined	[…]	[30-40]%	[…]	[30-40]%	[…]	[30-40]%	[…]	[30-40]%
Eutelsat	[…]	[20-30]%	[…]	[30-40]%	[…]	[20-30]%	[…]	[30-40]%
ArabSat / Hellas Sat	[…]	[10-20]%	[…]	[10-20]%	[…]	[10-20]%	[…]	[10-20]%
Space Norway	[…]	[0-5]%	[…]	[5-10]%	[…]	[10-20]%	[…]	[5-10]%
BulgariaSat	[…]	[5-10]%	[…]	[5-10]%	[…]	[5-10]%	[…]	[5-10]%
AMOS Spacecom	[…]	[0-5]%	[…]	[0-5]%	[…]	[0-5]%	[…]	[0-5]%
Belintersat	[…]	[0-5]%	[…]	[0-5]%	[…]	[0-5]%	[…]	[0-5]%
Total	[…]	100.0%	[…]	100.0%	[…]	100.0%	[…]	100.0%

Source: Form CO, Table 76, Lyngsat dataset; and supplementary information from the Parties

Table 14: ([294]) One-way satellite capacity (for media purposes) – DTH, Revenue [295], Eastern Europe

Company	2021	2022	2023	2024
SES	[5-10]%	[5-10]%	[0-5]%	[0-5]%
Intelsat	[5-10]%	[0-5]%	[0-5]%	[0-5]%
Combined	[10-20]%	[10-20]%	[5-10]%	[5-10]%
Others	[80-90]%	[80-90]%	[90-100]%	[90-100]%
Total	100,0%	100,0%	100,0%	100,0%

Source: Notifying Party's follow-up response to Commission's RFI 9, Table 10; Parties' transaction data and Analysys Mason reports, 2021-2024.

(235) Based on 2024 data, the Parties' combined market shares in the potential segment for DTH distribution which give rise to horizontally affected markets are the following:

(a) Worldwide: [30-40]% (based on revenue);

(b) EEA-wide: [40-50]% (based on transmissions) and [40-50]% (based on revenue); and

(c) Eastern Europe: [30-40]% (based on transmissions).

6.3.1.3. FTA & Cable (combined) distribution ([296])

(236) Tables 15 to 20 provide an overview of the Parties and their main competitors' market shares for 2021-24 in the potential segment for FTA and cable distribution (combined) distribution.

([294]) Table included because the same market is an affected market for transmissions.

([295]) Revenues for Eastern Europe are identified based on where the service is being provided.

([296]) The Commission notes that the Parties were unable to provide revenue-based market shares for FTA and cable separately for regional market shares, as explained in footnote 297. To follow a conservative approach, the Commission in the Decision considers FTA and cable both separately and combined ('**FTA & Cable (combined)**') in the assessment of affected markets at any

Table 15: One-way satellite capacity (for media purposes) – FTA & Cable, Transmissions, Worldwide

Company	2021		2022		2023		2024	
	Transmissions	Share	Transmissions	Share	Transmissions	Share	Transmissions	Share
SES	[…]	[10-20]%	[…]	[10-20]%	[…]	[10-20]%	[…]	[10-20]%
Intelsat	[…]	[10-20]%	[…]	[10-20]%	[…]	[10-20]%	[…]	[10-20]%
Combined	[…]	[30-40]%	[…]	[30-40]%	[…]	[30-40]%	[…]	[20-30]%
Eutelsat	[…]	[10-20]%	[…]	[10-20]%	[…]	[10-20]%	[…]	[10-20]%
ArabSat / Hellas Sat	[…]	[0-5]%	[…]	[0-5]%	[…]	[0-5]%	[…]	[0-5]%
ChinaSat	[…]	[0-5]%	[…]	[0-5]%	[…]	[0-5]%	[…]	[0-5]%
RSCC	[…]	[0-5]%	[…]	[0-5]%	[…]	[0-5]%	[…]	[0-5]%
Star One	[…]	[0-5]%	[…]	[0-5]%	[…]	[0-5]%	[…]	[0-5]%
AsiaSat	[…]	[0-5]%	[…]	[0-5]%	[…]	[0-5]%	[…]	[0-5]%
XM Satellite Radio	[…]	[0-5]%	[…]	[0-5]%	[…]	[0-5]%	[…]	[0-5]%
INSAT	[…]	[0-5]%	[…]	[0-5]%	[…]	[0-5]%	[…]	[0-5]%
Gazprom	[…]	[0-5]%	[…]	[0-5]%	[…]	[0-5]%	[…]	[0-5]%
Turksat	[…]	[0-5]%	[…]	[0-5]%	[…]	[0-5]%	[…]	[0-5]%
Thaicom	[…]	[0-5]%	[…]	[0-5]%	[…]	[0-5]%	[…]	[0-5]%
Hispasat	[…]	[0-5]%	[…]	[0-5]%	[…]	[0-5]%	[…]	[0-5]%
Optus	[…]	[0-5]%	[…]	[0-5]%	[…]	[0-5]%	[…]	[0-5]%
Others	[…]	[10-20]%	[…]	[10-20]%	[…]	[10-20]%	[…]	[10-20]%
Total	[…]	100.0%	[…]	100.0%	[…]	100.0%	[…]	100.0%

Source: Notifying Party's response to Commission's RFI 11, Table 4, Lyngsat dataset supplemented by the Parties, 2021-2024.

Table 16: One-way satellite capacity (for media purposes) – FTA & Cable, Revenue, Worldwide

Company	2021	2022	2023	2024
SES	[10-20]%	[10-20]%	[20-30]%	[20-30]%
Intelsat	[10-20]%	[10-20]%	[10-20]%	[10-20]%
Combined	[30-40]%	[30-40]%	[30-40]%	[30-40]%
Others	[60-70]%	[60-70]%	[60-70]%	[60-70]%
Total	100%	100%	100%	100%

Source: Notifying Party's response to Commission's RFI 10, Table 11; Parties' transaction data and Analysys Mason reports.

geographical level. For the avoidance of doubt, the Commission further clarifies that market shares for FTA & Cable (combined) are not equal to the sum of market shares for FTA and market shares for cable, as these are note absolute numbers.

Table 17: One-way satellite capacity (for media purposes) – FTA & Cable, Transmissions, EEA

Company	2021		2022		2023		2024	
	Transmissions	Share	Transmissions	Share	Transmissions	Share	Transmissions	Share
SES	[…]	[20-30]%	[…]	[20-30]%	[…]	[20-30]%	[…]	[20-30]%
Intelsat	[…]	[0-5]%	[…]	[0-5]%	[…]	[0-5]%	[…]	[0-5]%
Combined	[…]	[20-30]%	[…]	[20-30]%	[…]	[20-30]%	[…]	[20-30]%
Eutelsat	[…]	[40-50]%	[…]	[50-60]%	[…]	[50-60]%	[…]	[50-60]%
Space Norway	[…]	[5-10]%	[…]	[5-10]%	[…]	[0-5]%	[…]	[5-10]%
Hispasat	[…]	[10-20]%	[…]	[5-10]%	[…]	[0-5]%	[…]	[0-5]%
ArabSat / Hellas Sat	[…]	[0-5]%	[…]	[0-5]%	[…]	[0-5]%	[…]	[0-5]%
RSCC	[…]	[0-5]%	[…]	[0-5]%	[…]	[0-5]%	[…]	[0-5]%
AMOS Spacecom	[…]	[0-5]%	[…]	[0-5]%	[…]	[0-5]%	[…]	[0-5]%
Others	[…]	[0-5]%	[…]	[0-5]%	[…]	[0-5]%	[…]	[0-5]%
Total	[…]	100%	[…]	100%	[…]	100%	[…]	100%

Source: Notifying Party's response to Commission's RFI 11, Table 5; Lyngsat dataset supplemented by the Parties.

Table 18: One-way satellite capacity (for media purposes) – FTA & Cable, Revenue, EEA ([297])

Company	2021	2022	2023	2024
SES	[30-40]%	[40-50]%	[40-50]%	[40-50]%
Intelsat	[0-5]%	[0-5]%	[0-5]%	[0-5]%
Combined	[30-40]%	[40-50]%	[40-50]%	[40-50]%
Others	[60-70]%	[50-60]%	[50-60]%	[50-60]%
Total	100.0%	100.0%	100.0%	100.0%

Source: Notifying Party's response to Commission's RFI 10, Table 14; Parties' transaction data and Analysys Mason reports.

Table 19: One-way satellite capacity (for media purposes) – FTA & Cable, Transmissions, Western Europe

Company	2021		2022		2023		2024	
	Transmissions	Share	Transmissions	Share	Transmissions	Share	Transmissions	Share
SES	[…]	[20-30]%	[…]	[20-30]%	[…]	[20-30]%	[…]	[20-30]%
Intelsat	[…]	[0-5]%	[…]	[0-5]%	[…]	[0-5]%	[…]	[0-5]%
Combined	[…]	[20-30]%	[…]	[20-30]%	[…]	[20-30]%	[…]	[20-30]%
Eutelsat	[…]	[50-60]%	[…]	[60-70]%	[…]	[60-70]%	[…]	[60-70]%
Hispasat	[…]	[10-20]%	[…]	[10-20]%	[…]	[5-10]%	[…]	[5-10]%
ArabSat / Hellas Sat	[…]	[0-5]%	[…]	[0-5]%	[…]	[0-5]%	[…]	[0-5]%
Telesat	[…]	[0-5]%	[…]	[0-5]%	[…]	[0-5]%	[…]	[0-5]%
Others	[…]	[0-5]%	[…]	[0-5]%	[…]	[0-5]%	[…]	[0-5]%
Total	[…]	100%	[…]	100%	[…]	100%	[…]	100%

Source: Notifying Party's response to Commission's RFI 11, Table 6; Lyngsat dataset supplemented by the Parties.

([297]) Notifying Party's response of 14 May 2025 to Commission's RFI 10, paras 5.1-5.2. For Eastern and Western Europe, the Notifying Party has only provided revenue-based market shares for FTA and cable distribution combined. The Notifying Party submits that the Parties are not aware of any third-party report that estimates separately the revenues generated in the FTA and cable distributions two segments. In particular, revenue market sizes disaggregating between the FTA and cable distribution segments are not available in the Analysys Mason reports. In other cases, the Parties used the available data on the number of channel transmissions recorded in the Lyngsat dataset to approximate the relative size of the FTA and Cable Feed markets in Europe and globally. The Parties consider this to be an imperfect proxy even when estimating the size of larger geographical markets. However, the hypothetical markets for FTA and cable distribution in Western and Eastern Europe are very small and thus the Parties do not consider that revenue-based shares calculated using this proxy would be meaningful. The Parties note that Intelsat generates […] revenues in both of these segments in both Western and Eastern Europe (in particular, […]).

Table 20: One-way satellite capacity (for media purposes) – FTA & Cable, Revenue, Western Europe ([298])

Company	2021	2022	2023	2024
SES	[50-60]%	[50-60]%	[60-70]%	[70-80]%
Intelsat	[0-5]%	[0-5]%	[0-5]%	[0-5]%
Combined	[50-60]%	[50-60]%	[60-70]%	[70-80]%
Others	[40-50]%	[40-50]%	[30-40]%	[20-30]%
Total	100.0%	100.0%	100.0%	100.0%

Source: Notifying Party's follow-up response to Commission's RFI 9, Table 12; Parties' transaction data and Analysys Mason reports.

(237) Based on 2024 data, the Parties' combined market shares in the potential segment for FTA and cable (combined) which give rise to horizontally affected markets are the following:

(a) Worldwide: [20-30]% (based on transmissions) and [30-40]% (based on revenue);

(b) EEA-wide: [40-50]% (based on revenue); and

(c) Western Europe: [70-80]% (based on revenue).

6.3.1.3.1. FTA distribution

(238) Tables 21 and 22 provide an overview of the Parties and their main competitors' market shares for 2021-24 in the market for one-way satellite capacity (for media purposes), in the potential segment for FTA distribution.

Table 21: One-way satellite capacity (for media purposes) – FTA, Transmissions, EEA

Company	2021		2022		2023		2024	
	Transmissions	Share	Transmissions	Share	Transmissions	Share	Transmissions	Share
SES	[…]	[30-40]%	[…]	[20-30]%	[…]	[30-40]%	[…]	[20-30]%
Intelsat	[…]	[0-5]%	[…]	[0-5]%	[…]	[0-5]%	[…]	[0-5]%
Combined	[…]	[30-40]%	[…]	[20-30]%	[…]	[30-40]%	[…]	[20-30]%
Eutelsat	[…]	[50-60]%	[…]	[50-60]%	[…]	[60-70]%	[…]	[60-70]%
Hispasat	[…]	[5-10]%	[…]	[5-10]%	[…]	[0-5]%	[…]	[0-5]%
RSCC	[…]	[0-5]%	[…]	[0-5]%	[…]	[0-5]%	[…]	[0-5]%
AMOS Spacecom	[…]	[0-5]%	[…]	[0-5]%	[…]	[0-5]%	[…]	[0-5]%
Others	[…]	[0-5]%	[…]	[0-5]%	[…]	[0-5]%	[…]	[0-5]%
Total	[…]	100%	[…]	100%	[…]	100%	[…]	100%

Source: Form CO, Table 67, Lyngsat dataset; and supplementary information from the Parties.

Table 22: One-way satellite capacity (for media purposes) – FTA, Revenue, EEA

Company	2021	2022	2023	2024
SES	[40-50]%	[50-60]%	[50-60]%	[60-70]%
Intelsat	[0-5]%	[0-5]%	[0-5]%	[0-5]%
Combined	[40-50]%	[50-60]%	[50-60]%	[60-70]%
Others	[50-60]%	[40-50]%	[40-50]%	[30-40]%
Total	100.0%	100.0%	100.0%	100.0%

Source: Notifying Party's response to Commission's RFI 10, Table 17; Parties' transaction data; and Analysys Mason reports.

(239) Based on 2024 data, the Parties' combined market share in the potential segment for FTA distribution in the EEA is [60-70]% (based on revenue) which gives rise to a horizontally affected market.

([298]) Revenues for Western Europe are identified based on where the service is provided.

6.3.1.3.2. Cable distribution

(240) Tables 23 and 24 provide an overview of the Parties and their main competitors' market shares for 2021-24 in the potential segment for cable distribution.

Table 23: One-way satellite capacity (for media purposes) – Cable, Transmissions, Worldwide

Company	2021		2022		2023		2024	
	Transmissions	Share	Transmissions	Share	Transmissions	Share	Transmissions	Share
SES	[…]	[10-20]%	[…]	[10-20]%	[…]	[10-20]%	[…]	[10-20]%
Intelsat	[…]	[20-30]%	[…]	[20-30]%	[…]	[20-30]%	[…]	[20-30]%
Combined	[…]	[40-50]%	[…]	[40-50]%	[…]	[30-40]%	[…]	[30-40]%
Eutelsat	[…]	[5-10]%	[…]	[5-10]%	[…]	[5-10]%	[…]	[10-20]%
ChinaSat	[…]	[5-10]%	[…]	[5-10]%	[…]	[5-10]%	[…]	[5-10]%
AsiaSat	[…]	[5-10]%	[…]	[0-5]%	[…]	[5-10]%	[…]	[5-10]%
Optus	[…]	[0-5]%	[…]	[0-5]%	[…]	[0-5]%	[…]	[0-5]%
Star One	[…]	[0-5]%	[…]	[0-5]%	[…]	[0-5]%	[…]	[0-5]%
JSAT	[…]	[0-5]%	[…]	[0-5]%	[…]	[0-5]%	[…]	[0-5]%
RSCC	[…]	[0-5]%	[…]	[0-5]%	[…]	[0-5]%	[…]	[0-5]%
Telesat	[…]	[0-5]%	[…]	[0-5]%	[…]	[0-5]%	[…]	[0-5]%
ABS	[…]	[0-5]%	[…]	[0-5]%	[…]	[0-5]%	[…]	[0-5]%
Hispasat	[…]	[0-5]%	[…]	[0-5]%	[…]	[0-5]%	[…]	[0-5]%
Space Norway	[…]	[0-5]%	[…]	[0-5]%	[…]	[0-5]%	[…]	[0-5]%
Thaicom	[…]	[0-5]%	[…]	[0-5]%	[…]	[0-5]%	[…]	[0-5]%
XM Satellite Radio	[…]	[5-10]%	[…]	[5-10]%	[…]	[5-10]%	[…]	[0-5]%
Others	[…]	[5-10]%	[…]	[10-20]%	[…]	[10-20]%	[…]	[10-20]%
Total	[…]	100%	[…]	100%	[…]	100%	[…]	100%

Source: Form CO, Table 68, Lyngsat dataset; and supplementary information from the Parties.

Table 24: One-way satellite capacity (for media purposes) – Cable, Revenue, Worldwide

Company	2021	2022	2023	2024
SES	[10-20]%	[10-20]%	[10-20]%	[10-20]%
Intelsat	[30-40]%	[30-40]%	[30-40]%	[30-40]%
Combined	[40-50]%	[40-50]%	[40-50]%	[40-50]%
Others	[50-60]%	[50-60]%	[50-60]%	[50-60]%
Total	100.0%	100.0%	100.0%	100.0%

Source: Notifying Party's response to Commission's RFI 10, Table 16; Parties' transaction data and Analysys Mason reports.

(241) Based on 2024 data, the Parties' combined market share in the potential segment for cable distribution at the worldwide level is [30-40]% (based on transmissions) and [40-50]% (based on revenue) which gives rise to a horizontally affected market.

6.3.2. Market for the supply of two-way satellite capacity

(242) Tables 25-40 provide an overview of the Parties' and their main competitors' market shares in the market for the supply of two-way satellite capacity, and its

potential segments, at the global and EEA-wide level. ([299]) ([300]) Market data at the narrowest plausible level encompassing a single individual frequency are provided for year 2023. For the remaining markets, market share data is provided for years 2021-23.

Table 25 – Market for the supply of two-way satellite capacity, all orbits/satellite types, C-band – in Gbps – Worldwide

Company	2023
SES	[10-20]%
Intelsat	[30-40]%
Combined	[40-50]%
APT Satellite/China Satcom	[5-10]%
SpaceCom	[5-10]%
Eutelsat Group (Eutelsat/OneWeb)	[0-5]%
RSCC	[0-5]%
ISRO Indian Space Research Organisation	[0-5]%
Sky Perfect Jsat	[0-5]%
Embratel Star One	[0-5]%
Asiasat	[0-5]%
Telkom Indonesia	[0-5]%
Gazprom Space Systems	[0-5]%
Telesat	[0-5]%
ABS Asia Broadcasting Satellite	[0-5]%
ArabSat/Hellas Sat	[0-5]%
Hispasat	[0-5]%
Other Operators	[5-10]%
Total	100%

Source: Notifying Party's response to Commission's RFI 11, Annex 1.

([299]) The Parties estimated shares of supply for FSS satellite capacity as an approximation of two-way satellite capacity, i.e., excluding satellite capacity from the BSS spectrum for the Parties and competing satellite operators (Form CO, para. 461).

([300]) Supply in the EEA has been approximated by the regions 'Western Europe' and 'Central Europe' recorded in the Novaspace reports. The Novaspace reports include the following countries in the 'Central Europe' region: Albania, Austria, Bosnia and Herzegovina, Bulgaria, Croatia, Czech Republic, Hungary, Kosovo, Moldova, Montenegro, Poland, Romania, Serbia, Slovakia, Slovenia, Other Central Europe. The Novaspace reports include the following countries in the 'Western Europe' region: Andorra, Belgium, Channel Islands, Denmark, Faroe Islands, Finland, France, Germany, Gibraltar, Greece, Iceland, Ireland, Isle of Man, Italy, Liechtenstein Luxembourg, Macedonia, Malta, Monaco, Netherlands, Norway, Portugal, San Marino, Spain, Sweden, Switzerland, United Kingdom, Other Western Europe (Form CO, Annex 16).

Table 26 – Market for the supply of two-way satellite capacity, all orbits/satellite types, C-band – in Gbps – EEA

Company	2023
SES	[0-5]%
Intelsat	[30-40]%
Combined	[30-40]%
SpaceCom	[30-40]%
RSCC	[5-10]%
Eutelsat Group (Eutelsat/OneWeb)	[5-10]%
Gazprom Space Systems	[0-5]%
ArabSat/Hellas Sat	[0-5]%
ABS Asia Broadcasting Satellite	[0-5]%
APT Satellite/China Satcom	[0-5]%
Angola government	[0-5]%
Azercosmos	[0-5]%
Rascomstar	[0-5]%
SUPARCO Pakistani space agency	[0-5]%
Other Operators	[0-5]%
Total	100%

Source: Notifying Party's response to Commission's RFI 11, Annex 1.

Table 27 – Market for the supply of two-way satellite capacity, HTS satellites, C-band – in Gbps – Worldwide

Company	2023
SES	[0-5]%
Intelsat	[40-50]%
Combined	[40-50]%
SpaceCom	[40-50]%
Sky Perfect Jsat	[10-20]%
Total	100%

Source: Notifying Party's response to Commission's RFI 11, Annex 1.

Table 28 – Market for the supply of two-way satellite capacity, HTS satellites, C-band – in Gbps – EEA

Company	2023
SES	[0-5]%
Intelsat	[30-40]%
Combined	[30-40]%
SpaceCom	[60-70]%
Total	100%

Source: Notifying Party's response to Commission's RFI 11, Annex 1.

Table 29 – Market for the supply of two-way satellite capacity, HTS satellites, GEO, Ku-band – in Gbps – Worldwide

Company	2023
SES	[10-20]%
Intelsat	[20-30]%
Combined	[30-40]%
APT Satellite/China Satcom	[20-30]%
Thaicom	[5-10]%
Eutelsat Group (Eutelsat/OneWeb)	[5-10]%
Hispasat	[5-10]%
ISRO Indian Space Research Organisation	[5-10]%
Sky Perfect Jsat	[0-5]%
Telesat	[0-5]%
PT Pasifik Satelit Nusantara	[0-5]%
Echostar Corporation/Hughes Network Systems	[0-5]%
Total	100%

Source: Notifying Party's response to Commission's RFI 11, Annex 1.

Table 30 – Market for the supply of two-way satellite capacity, HTS satellites, GEO, Ku-band – in Gbps – EEA

Company	2023
SES	[0-5]%
Intelsat	[20-30]%
Combined	[20-30]%
Eutelsat Group (Eutelsat/OneWeb)	[40-50]%
Hispasat	[20-30]%
Telesat	[0-5]%
Total	100%

Source: Notifying Party's response to Commission's RFI 11, Annex 1.

Table 31 – Market for the supply of two-way satellite capacity, HTS satellites, GEO, C-band – in Gbps – Worldwide

Company	2023
SES	[0-5]%
Intelsat	[40-50]%
Combined	[40-50]%
SpaceCom	[40-50]%
Sky Perfect Jsat	[10-20]%
Total	100%

Source: Notifying Party's response to Commission's RFI 11, Annex 1.

Table 32 – Market for the supply of two-way satellite capacity, HTS satellites, GEO, C-band – in Gbps – EEA

Company	2023
SES	[0-5]%
Intelsat	[30-40]%
Combined	[30-40]%
SpaceCom	[60-70]%
Total	100%

Source: Notifying Party's response to Commission's RFI 11, Annex 1.

Table 33 – Market for the supply of two-way satellite capacity, wide-beam satellites, GEO, all frequencies – in MHz – Worldwide

Company	2021	2022	2023
SES	[10-20]%	[10-20]%	[10-20]%
Intelsat	[20-30]%	[20-30]%	[20-30]%
Combined	[30-40]%	[30-40]%	[30-40]%
Eutelsat/OneWeb	[10-20]%	[10-20]%	[10-20]%
APT Satellite/China Satcom	[5-10]%	[0-5]%	[5-10]%
RSCC	[0-5]%	[0-5]%	[0-5]%
Telesat	[0-5]%	[0-5]%	[0-5]%
ISRO Indian Space Research Organisation	[0-5]%	[0-5]%	[0-5]%
Sky Perfect Jsat	[0-5]%	[0-5]%	[0-5]%
Embratel Star One	[0-5]%	[0-5]%	[0-5]%
Hispasat	[0-5]%	[0-5]%	[0-5]%
Gazprom Space Systems	[0-5]%	[0-5]%	[0-5]%
ArabSat/Hellas Sat	[0-5]%	[0-5]%	[0-5]%
Asiasat	[0-5]%	[0-5]%	[0-5]%
Turksat	[0-5]%	[0-5]%	[0-5]%
KT SAT	[0-5]%	[0-5]%	[0-5]%
ABS Asia Broadcasting Satellite	[0-5]%	[0-5]%	[0-5]%
Telkom Indonesia	[0-5]%	[0-5]%	[0-5]%
Other Operators	[10-20]%	[10-20]%	[10-20]%
Total	100%	100%	100%

Source: Form CO, Annex 50, Table 7.

Table 34 – Market for the supply of two-way satellite capacity, wide-beam satellites, GEO, all frequencies – in MHz – EEA

Company	2021	2022	2023
SES	[20-30]%	[20-30]%	[20-30]%
Intelsat	[10-20]%	[10-20]%	[10-20]%
Combined	[40-50]%	[40-50]%	[40-50]%
Eutelsat/OneWeb	[20-30]%	[20-30]%	[20-30]%
RSCC	[5-10]%	[5-10]%	[5-10]%
Turksat	[0-5]%	[0-5]%	[5-10]%
ArabSat/Hellas Sat	[0-5]%	[0-5]%	[0-5]%
Gazprom Space Systems	[0-5]%	[0-5]%	[0-5]%
Telesat	[0-5]%	[0-5]%	[0-5]%
Hispasat	[0-5]%	[0-5]%	[0-5]%
Nigcomsat	[0-5]%	[0-5]%	[0-5]%
ABS Asia Broadcasting Satellite	[0-5]%	[0-5]%	[0-5]%
APT Satellite/China Satcom	[0-5]%	[0-5]%	[0-5]%
Azercosmos	[0-5]%	[0-5]%	[0-5]%
Es'hailsat	[0-5]%	[0-5]%	[0-5]%
Other Operators	[0-5]%	[5-10]%	[0-5]%
Total	100%	100%	100%

Source: Form CO, Annex 50, Table 8.

Table 35 – Market for the supply of two-way satellite capacity, wide-beam satellites, GEO, Ka-band – in MHz – Worldwide

Company	2023
SES	[40-50]%
Intelsat	[10-20]%
Combined	[60-70]%
Turksat	[5-10]%
Telesat	[5-10]%
Nigcomsat	[0-5]%
SpaceCom	[0-5]%
Echostar Corporation/Hughes Network Systems	[0-5]%
KT SAT	[0-5]%
Es'hailsat	[0-5]%
Nilesat	[0-5]%
ASAL Algerian Space Agency	[0-5]%
Eutelsat Group (Eutelsat/OneWeb)	[0-5]%
Other Operators	[0-5]%
Total	100%

Source: Notifying Party's response to Commission's RFI 11, Annex 1.

Table 36 – Market for the supply of two-way satellite capacity, wide-beam satellites, GEO, Ka-band – in MHz – EEA

Company	2023
SES	[70-80]%
Intelsat	[0-5]%
Combined	[70-80]%
Nigcomsat	[10-20]%
Turksat	[5-10]%
Eutelsat Group (Eutelsat/OneWeb)	[0-5]%
Es'hailsat	[0-5]%
ArabSat/Hellas Sat	[0-5]%
Total	100%

Source: Notifying Party's response to Commission's RFI 11, Annex 1.

Table 37 – Market for the supply of two-way satellite capacity, wide-beam satellites, GEO, Ku-band – in MHz – Worldwide

Company	2023
SES	[10-20]%
Intelsat	[10-20]%
Combined	[30-40]%
Eutelsat Group (Eutelsat/OneWeb)	[10-20]%
Telesat	[0-5]%
APT Satellite/China Satcom	[0-5]%
Sky Perfect Jsat	[0-5]%
RSCC	[0-5]%
Hispasat	[0-5]%
ArabSat/Hellas Sat	[0-5]%
ISRO Indian Space Research Organisation	[0-5]%
Gazprom Space Systems	[0-5]%
Embratel Star One	[0-5]%
KT SAT	[0-5]%
Turksat	[0-5]%
Asiasat	[0-5]%
Optus	[0-5]%
Echostar Corporation/Hughes Network Systems	[0-5]%
SpaceCom	[0-5]%
KazSat	[0-5]%
ABS Asia Broadcasting Satellite	[0-5]%
ArSat	[0-5]%
Broadcasting Satellite System	[0-5]%
Other Operators	[5-10]%
Total	100%

Source: Notifying Party's response to Commission's RFI 11, Annex 1.

Table 38 – Market for the supply of two-way satellite capacity, wide-beam satellites, GEO, Ku-band – in MHz – EEA

Company	2023
SES	[20-30]%
Intelsat	[10-20]%
Combined	[30-40]%
Eutelsat Group (Eutelsat/OneWeb)	[30-40]%
Turksat	[5-10]%
ArabSat/Hellas Sat	[5-10]%
RSCC	[5-10]%
Telesat	[0-5]%
Hispasat	[0-5]%
Gazprom Space Systems	[0-5]%
SpaceCom	[0-5]%
Es'hailsat	[0-5]%
Other Operators	[5-10]%
Total	100%

Source: Notifying Party's response to Commission's RFI 11, Annex 1.

Table 39 – Market for the supply of two-way satellite capacity, wide-beam satellites, GEO, C-band – in MHz – Worldwide

Company	2023
SES	[10-20]%
Intelsat	[20-30]%
Combined	[40-50]%
APT Satellite/China Satcom	[5-10]%
Eutelsat Group (Eutelsat/OneWeb)	[5-10]%
RSCC	[5-10]%
ISRO Indian Space Research Organisation	[0-5]%
Embratel Star One	[0-5]%
Asiasat	[0-5]%
Telkom Indonesia	[0-5]%
Gazprom Space Systems	[0-5]%
Telesat	[0-5]%
ABS Asia Broadcasting Satellite	[0-5]%
Sky Perfect Jsat	[0-5]%
ArabSat/Hellas Sat	[0-5]%
Hispasat	[0-5]%
Thaicom	[0-5]%
PT Pasifik Satelit Nusantara	[0-5]%
Bank Rakyat Indonesia	[0-5]%
Other Operators	[5-10]%
Total	100%

Source: Notifying Party's response to Commission's RFI 11, Annex 1.

Table 40– Market for the supply of two-way satellite capacity, wide-beam satellites, GEO, C-band – in MHz – EEA

Company	2023
SES	[0-5]%
Intelsat	[30-40]%
Combined	[30-40]%
RSCC	[10-20]%
Eutelsat Group (Eutelsat/OneWeb)	[10-20]%
Gazprom Space Systems	[5-10]%
ArabSat/Hellas Sat	[5-10]%
ABS Asia Broadcasting Satellite	[0-5]%
APT Satellite/China Satcom	[0-5]%
Angola government	[0-5]%
Azercosmos	[0-5]%
Rascomstar	[0-5]%
SUPARCO Pakistani space agency	[0-5]%
Bangladesh Satellite Company	[0-5]%
Asiasat	[0-5]%
Belintersat	[0-5]%
Other Operators	[0-5]%
Total	100%

Source: Notifying Party's response to Commission's RFI 11, Annex 1.

6.3.3. *Market for the supply of satellite services in the commercial aviation industry*

(243) Tables 41-44 provide an overview of the Parties' and their main competitors' market shares for 2021-23 in the market for the supply of satellite services in the commercial aviation industry, at the global and EEA-wide level. ([301]) As explained above at paragraph (148), the Parties are not active in the supply of satellite services in the business aviation industry.

Table 41 – Market for the supply of satellite services in the commercial aviation industry, including satellite, ATG, and hybrid technology – Worldwide

Company	2021	2022	2023
By number of active aircraft			
SES	[0-5]%	[0-5]%	[0-5]%
Intelsat	[30-40]%	[30-40]%	[20-30]%
Combined	[30-40]%	[30-40]%	[20-30]%
Viasat	[20-30]%	[20-30]%	[30-40]%
Panasonic Avionics	[20-30]%	[20-30]%	[20-30]%
Anuvu	[10-20]%	[10-20]%	[5-10]%
Thales	[5-10]%	[5-10]%	[5-10]%
SpaceX	[0-5]%	[0-5]%	[0-5]%
Taqnia Space	[0-5]%	[0-5]%	[0-5]%
TD-Link	[0-5]%	[0-5]%	[0-5]%
Iridium	[0-5]%	[0-5]%	[0-5]%
STECCOM	[0-5]%	[0-5]%	[0-5]%
Total	100%	100%	100%
By number of committed aircraft			
SES	N/A	N/A	[0-5]%
Intelsat	N/A	N/A	[20-30]%
Combined	N/A	N/A	[20-30]%
Viasat	N/A	N/A	[40-50]%
Panasonic Avionics	N/A	N/A	[20-30]%
Anuvu	N/A	N/A	[5-10]%
Thales	N/A	N/A	[0-5]%
Hughes	N/A	N/A	[0-5]%
SpaceX	N/A	N/A	[0-5]%
Taqnia Space	N/A	N/A	[0-5]%
TD-Link	N/A	N/A	[0-5]%
AirCom Pacific	N/A	N/A	[0-5]%
STECCOM	N/A	N/A	[0-5]%
Total	100%	100%	100%

Source: Form CO, Annex 16, Tables 70-71.

([301]) Tables 41-44 set out commercial aviation market shares, where supply through resellers has been reallocated to underlying service providers.

Table 42 – Market for the supply of satellite services in the commercial aviation industry, including satellite, ATG, and hybrid technology – EEA

Company	2021	2022	2023
By number of active aircraft			
SES	[0-5]%	[0-5]%	[0-5]%
Intelsat	[20-30]%	[10-20]%	[10-20]%
Combined	[20-30]%	[10-20]%	[10-20]%
Viasat	[30-40]%	[30-40]%	[40-50]%
Panasonic Avionics	[30-40]%	[30-40]%	[30-40]%
Thales	[5-10]%	[5-10]%	[5-10]%
Anuvu	[0-5]%	[0-5]%	[0-5]%
Taqnia Space	[0-5]%	[0-5]%	[0-5]%
Iridium	[0-5]%	[0-5]%	[0-5]%
Total	100%	100%	100%
By number of committed aircraft			
SES	N/A	N/A	[0-5]%
Intelsat	N/A	N/A	[10-20]%
Combined	N/A	N/A	[10-20]%
Viasat	N/A	N/A	[40-50]%
Panasonic Avionics	N/A	N/A	[20-30]%
Anuvu	N/A	N/A	[0-5]%
Thales	N/A	N/A	[0-5]%
Taqnia Space	N/A	N/A	[0-5]%
Huges	N/A	N/A	[0-5]%
Space X	N/A	N/A	[0-5]%
Total	100%	100%	100%

Source: Form CO, Annex 16, Tables 72-73.

Table 43 – Market for the supply of satellite services in the commercial aviation industry, satellite technology only (excl. ATG and hybrid technology) – Worldwide

Company	2021	2022	2023
By number of active aircraft			
SES	[0-5]%	[0-5]%	[0-5]%
Intelsat	[20-30]%	[20-30]%	[10-20]%
Combined	[20-30]%	[20-30]%	[10-20]%
Viasat	[20-30]%	[20-30]%	[30-40]%
Panasonic Avionics	[20-30]%	[20-30]%	[20-30]%
Anuvu	[10-20]%	[10-20]%	[10-20]%
Thales	[5-10]%	[5-10]%	[5-10]%
SpaceX	[0-5]%	[0-5]%	[0-5]%
Iridium	[0-5]%	[0-5]%	[0-5]%
STECCOM	[0-5]%	[0-5]%	[0-5]%
Total	100%	100%	100%
By number of committed aircraft			
SES	N/A	N/A	[0-5]%
Intelsat	N/A	N/A	[20-30]%
Combined	N/A	N/A	[20-30]%
Viasat	N/A	N/A	[40-50]%
Panasonic Avionics	N/A	N/A	[20-30]%
Anuvu	N/A	N/A	[5-10]%
Thales	N/A	N/A	[0-5]%
Hughes	N/A	N/A	[0-5]%
SpaceX	N/A	N/A	[0-5]%
AirCom Pacific	N/A	N/A	[0-5]%
STECCOM	N/A	N/A	[0-5]%
Total	*100%*	*100%*	*100%*

Source: Form CO, Annex 16, Tables 74-75.

Table 44 – Market for the supply of satellite services in the commercial aviation industry, satellite technology only (excl. ATG and hybrid technology) – EEA

Company	2021	2022	2023
By number of active aircraft			
SES	[0-5]%	[0-5]%	[0-5]%
Intelsat	[10-20]%	[10-20]%	[10-20]%
Combined	[10-20]%	[10-20]%	[10-20]%
Viasat	[30-40]%	[30-40]%	[40-50]%
Panasonic Avionics	[30-40]%	[30-40]%	[30-40]%
Thales	[5-10]%	[5-10]%	[5-10]%
Anuvu	[0-5]%	[0-5]%	[0-5]%
Iridium	[0-5]%	[0-5]%	[0-5]%
Total	100%	100%	100%
By number of committed aircraft			
SES	N/A	N/A	[0-5]%
Intelsat	N/A	N/A	[10-20]%
Combined	N/A	N/A	[10-20]%
Viasat	N/A	N/A	[40-50]%
Panasonic Avionics	N/A	N/A	[20-30]%
Anuvu	N/A	N/A	[0-5]%
Thales	N/A	N/A	[0-5]%
Hughes	N/A	N/A	[0-5]%
SpaceX	N/A	N/A	[0-5]%
Total	100%	100%	100%

Source: Form CO, Annex 16, Tables 76-77.

6.3.4. *Market for the supply of satellite services in the maritime industry*

(244) Table 45 provides an overview of SES's and its main competitors' market shares for 2023 ([302]) in the market for the supply of satellite services in the maritime industry, at the global level. SES estimates that its market share in the EEA would not be materially different compared to its share at the global level, namely that it would be below 5%. ([303])

Table 45 – Market for the supply of satellite services in the maritime industry – Number of vessels with active very small aperture terminal ('VSAT') connectivity – Worldwide

Company	2023
SES	[0-5]%
Intelsat	[0-5]%
Combined	**[0-5]%**
Marlink	[10-20]%
Inmarsat	[10-20]%
KVH	[10-20]%
Ditel	[10-20]%
Navarino	[5-10]%
Speedcast	[5-10]%
Satcom Global	[0-5]%
Totoheo Maritime	[0-5]%
NSSLGlobal	[0-5]%
Anuvu	[0-5]%
Singtel	[0-5]%
Otesat Maritel	[0-5]%
AST	[0-5]%
Castor Marine	[0-5]%
Shenzhen Marine	[0-5]%
Orange	[0-5]%
JSATMarine	[0-5]%
Noviasat	[0-5]%
3Mushroom	[0-5]%
SeaSat	[0-5]%
Telenor Maritime	[0-5]%
MediaMobil	[0-5]%
Telespazio	[0-5]%
SK Telecom	[0-5]%
Thaicom	[0-5]%
Telstra	[0-5]%
Total	**100%**

Source: Form CO, Annex 16, Table 78.

([302]) These shares are provided for 2023 only, as market size figures for years 2021 and 2022 are not available at the time of notification of the Transaction (Form CO, Annex 16, page 73).

([303]) Notifying Party's response of 5 May 2025 to Commission's RFI 9, para. 5.5.

6.3.5. Market for the supply of satellite services in the fixed data industry

(245) Tables 46-47 provide an overview of the Parties' market shares for 2021-2023 in the market for the supply of satellite services in the fixed data industry, at the global and EEA-wide level. ([304])

(246) The combined shares of SES and Intelsat in the market for the supply of satellite services in the fixed data industry, and its subsegments, are not materially different at regional level, compared to their combined shares at the global and EEA-wide level. In particular, the Parties' combined shares remain below 10% in the regions of Western Europe, Eastern Europe, CEE and Nordic Europe. ([305])

(247) In view of the Parties' low combined market shares, the Parties have not provided competitors' market shares in the fixed data industry.

Table 46 – Market for the supply of satellite services in the fixed data industry – Revenue – Worldwide

Market	Company	2021	2022	2023
Fixed data (overall)	SES	[0-5]%	[0-5]%	[0-5]%
	Intelsat	[0-5]%	[0-5]%	[0-5]%
	Combined	[5-10]%	[0-5]%	[0-5]%
Backhaul & Trunking	SES	[0-5]%	[0-5]%	[0-5]%
	Intelsat	[0-5]%	[0-5]%	[0-5]%
	Combined	[5-10]%	[5-10]%	[5-10]%
Broadband Access	SES	[0-5]%	[0-5]%	[0-5]%
	Intelsat	[0-5]%	[0-5]%	[0-5]%
	Combined	[0-5]%	[0-5]%	[0-5]%
Enterprise Data	SES	[0-5]%	[0-5]%	[0-5]%
	Intelsat	[0-5]%	[0-5]%	[0-5]%
	Combined	[5-10]%	[5-10]%	[5-10]%

Source: Form CO, Annex 16, Tables 44-47.

([304]) Supply in the EEA has been approximated by the regions 'Western Europe' and 'Central & Eastern Europe' recorded in the NSR Government and Military Satellite Communications reports ('**NSR reports**'). NSR's definition of Western Europe is as follows: '*traditional Western Europe through to the eastern borders of Germany, Austria and Italy. Includes Greece and Malta*'. Its definition of Central & Eastern Europe is as follows: '*the countries to the east of Germany, Austria and Italy; to the CEEU north of Greece and including Turkey. Includes all of Russia, Georgia, Armenia, and Azerbaijan*' (Form CO, Annex 16).

([305]) Notifying Party's responses of 23 May 2025 to Commission's RFI 11, para. 3.1, and of 28 May 2024 to Commission's RFI 14, para. 2.1.

Table 47 – Market for the supply of satellite services in the fixed data industry – Revenue – EEA

Market	Company	2021	2022	2023
Fixed data (overall)	SES	[0-5]%	[0-5]%	[0-5]%
	Intelsat	[0-5]%	[0-5]%	[0-5]%
	Combined	[0-5]%	[0-5]%	[0-5]%
Backhaul & Trunking	SES	[0-5]%	[0-5]%	[0-5]%
	Intelsat	[0-5]%	[0-5]%	[0-5]%
	Combined	[0-5]%	[0-5]%	[0-5]%
Broadband Access	SES	[0-5]%	[0-5]%	[0-5]%
	Intelsat	[0-5]%	[0-5]%	[0-5]%
	Combined	[0-5]%	[0-5]%	[0-5]%
Enterprise Data	SES	[0-5]%	[0-5]%	[0-5]%
	Intelsat	[0-5]%	[0-5]%	[0-5]%
	Combined	[0-5]%	[0-5]%	[0-5]%

Source: Form CO, Annex 16, Tables 44-47.

6.3.6. Market for the supply of satellite services in the government sector

(248) Tables 48-49 provide an overview of the Parties' and their main competitors' market shares for 2021-23 in the market for the supply of satellite services in the government sector, at the global and EEA-wide level. ([306])

Table 48 – Market for the supply of satellite services in the government sector – Revenue – Worldwide

Company	2021	2022	2023
SES	[5-10]%	[5-10]%	[5-10]%
Intelsat	[5-10]%	[5-10]%	[0-5]%
Combined	[10-20]%	[10-20]%	[10-20]%
Starlink	N/A	N/A	[10-20]%
Viasat	N/A	N/A	[10-20]%
Eutelsat	N/A	N/A	[0-5]%
Other ([307])	N/A	N/A	[50-60]% to [60-70]%
Total	**100%**	**100%**	**100%**

Source: Form CO, Annex 16, Table 79; and Form CO para. 1809.

([306]) Supply in the EEA has been approximated by the regions 'Western Europe' and 'Central & Eastern Europe' recorded in the NSR reports. NSR's definition of Western Europe is as follows: '*traditional Western Europe through to the eastern borders of Germany, Austria and Italy. Includes Greece and Malta*'. Its definition of Central & Eastern Europe is as follows: '*the countries to the east of Germany, Austria and Italy; to the CEEU north of Greece and including Turkey. Includes all of Russia, Georgia, Armenia, and Azerbaijan*' (Form CO, Annex 16).

([307]) The Parties are not aware of any third-party estimates of their competitors' market shares for the supply of satellite services in the government sector. In addition, due to the confidential nature of many competitors' activities in this segment, market information is relatively opaque. Where overall revenues might be disclosed, competitors do not provide breakdowns which would allow the Parties to isolate revenues related to satellite services. In turn, and given this lack of market information, the Parties do not routinely prepare internal estimates for market shares in the supply of satellite services in the government sector (Form CO, paras 1805-06).

Table 49 – Market for the supply of satellite services in the government sector – Revenue – EEA

Company	2021	2022	2023
SES	[10-20]%	[10-20]%	[5-10]%
Intelsat	[0-5]%	[0-5]%	[0-5]%
Combined	[10-20]%	[10-20]%	[10-20]%
Starlink	N/A	N/A	[10-20]%
Viasat	N/A	N/A	[10-20]%
Eutelsat	N/A	N/A	[0-5]%
Other ([308])	N/A	N/A	[50-60]% to [60-70]%
Total	100%	100%	100%

Source: Form CO, Annex 16, Table 79; and Form CO, para. 1809.

6.4. Horizontal assessment: Actual overlaps

6.4.1. Market for the supply of one-way satellite capacity (for media purposes)

(249) Based on the market shares provided in Section 6.3, the Transaction gives rise to the following horizontally affected markets/segments in the supply of one-way satellite capacity (for media purposes):

(a) Market for the supply of one-way satellite capacity (for media purposes)

- Worldwide, combined market shares based on revenues: [30-40]%; SES: [20-30]%; Intelsat: [10-20]%.
- EEA-wide, combined market shares based on transmissions: [30-40]%; SES: [30-40]%; Intelsat: [0-5]%; EEA-wide combined market shares based on revenues: [40-50]%; SES: [30-40]%; Intelsat: [0-5]%.
- Eastern Europe combined market shares based on transmissions: [30-40]%; SES: [20-30]%; Intelsat: [5-10]%.
- Western Europe, combined based on revenues: [70-80]%; SES: [70-80]%; Intelsat: [0-5]%.

(b) DTH distribution

- Worldwide, combined market shares based on revenues: [30-40]%; SES: [20-30]%; Intelsat: [10-20]%.
- EEA-wide, combined market shares based on transmissions: [40-50]%; SES: [30-40]%; Intelsat: [5-10]%; EEA-wide combined based on revenues: [40-50]%; SES: [30-40]%; Intelsat: [5-10]%.
- Eastern Europe, combined market shares based on transmissions: [30-40]%; SES: [20-30]%; Intelsat: [10-20]%.

(c) FTA & cable (combined)

- Worldwide, combined market shares based on transmissions: [20-30]%; SES: [10-20]%; Intelsat:[10-20]%; Worldwide combined market shares based on revenues: [30-40]%; SES; [20-30]% Intelsat: [10-20]%.
- EEA-wide, combined market shares based on revenues: [40-50]%; SES: [40-50]%; Intelsat: [0-5]%.

([308]) Ibid.

- Western Europe, combined market shares based on revenues: [70-80]%; SES: [70-80]%; Intelsat: [0-5]%).

(d) FTA distribution

- EEA-wide, combined market shares: [60-70]%; SES: [60-70]%; Intelsat: [0-5]%.

(e) Cable distribution

- Worldwide, combined market shares based on transmissions: [30-40]%; SES: [10-20]%; Intelsat: [20-30]%; Worldwide combined market shares based on revenues: [40-50]%; SES:[10-20]%; Intelsat: [30-40]%.

(250) The 2024 market shares (based on transmissions and revenue) in the markets mentioned in the previous paragraph are set out in Table 50 below. Markets are affected based on either number of transmissions, revenue data, or both, as indicated in grey:

Table 50: One-way satellite capacity (for media purposes) – Transmissions and revenues - 2024 ([309])

Scope	Channel Type	Transmissions			Revenue		
		SES	Intelsat	Combined	SES	Intelsat	Combined
Global	DTH	[10-20]%	[5-10]%	[20-30]%	[20-30]%	[10-20]%	[30-40]%
	FTA & Cable	[10-20]%	[10-20]%	[20-30]%	[20-30]%	[10-20]%	[30-40]%
	Cable	[10-20]%	[20-30]%	[30-40]%	[10-20]%	[30-40]%	[40-50]%
	Overall	[10-20]%	[5-10]%	[20-30]%	[20-30]%	[10-20]%	[30-40]%
EEA	DTH	[30-40]%	[5-10]%	[40-50]%	[30-40]%	[5-10]%	[40-50]%
	FTA & Cable	[20-30]%	[0-5]%	[20-30]%	[40-50]%	[0-5]%	[40-50]%
	FTA	[20-30]%	[0-5]%	[20-30]% ([310])	[60-70]%	[0-5]%	[60-70]%
	Overall	[30-40]%	[0-5]%	[30-40]%	[30-40]%	[0-5]%	[40-50]%
Eastern Europe	DTH	[20-30]%	[10-20]%	[30-40]%	[0-5]%	[0-5]%	[5-10]%
	Overall	[20-30]%	[5-10]%	[30-40]%	[0-5]%	[0-5]%	[5-10]%
Western Europe	FTA & Cable	[20-30]%	[0-5]%	[20-30]%	[70-80]%	[0-5]%	[70-80]%
	Overall	[30-40]%	[0-5]%	[30-40]%	[70-80]%	[0-5]%	[70-80]%

6.4.1.1. Notifying Party's views

(251) As mentioned above in Section 5.2.2.2, the Notifying Party submits that the supply of satellite capacity should be considered as a whole, with no sub-segmentations, and the Transaction would therefore have no detrimental competitive impact on the market for supply of satellite capacity. ([311])

(252) However, even if a narrow market for the supply of one-way satellite capacity is considered, the Notifying Party also considers that Transaction has no detrimental impact in competition in the EEA ([312]) for the reasons set out below.

(253) First, the Notifying Party submits that there are several alternative suppliers of satellite capacity for media purposes (including when considering separately DTH, FTA and cable feed distribution), both globally and in Europe, including the following: Eutelsat, At&T, Echostar Hughes, Telesat, INSAT, StarOne,

([309]) See clarifications in paragraph (230).
([310]) The Commission assumes the figures provided by the Parties for the 'Combined share' to be a sum rounded to the nearest decimal place.
([311]) Form CO, paras 626, 776-854 and 903.
([312]) Form CO, para. 903.

RSCC, Hispasat, Space Norway and ArabSat/Hellas Sat. In Europe in particular: (i) Eutelsat, Space Norway and ArabSat/Hellas Sat would be all larger in the media segment than Intelsat; and (ii) Eutelsat would be the leading competitor in the market with a share of [30-40]%. ([313])

(254) Second, the Notifying Party submits that Intelsat is not a significant competitor in the supply of satellite capacity in the media segment in Europe. The increment arising from the Transaction is less than 10%: Intelsat's market share is only [5-10]% in the overall market, [5-10]% in DTH distribution, [5-10]% in cable distribution and [0-5]% in FTA distribution. Further, Intelsat would be only the […] largest competitor (in the overall market for the supply of satellite capacity in the media segment and any sub-segments thereof) whereas Eutelsat in particular would hold a number of premium orbital locations for servicing European customers and would have much greater competitive presence across Europe. ([314])

(255) Third, the Notifying Party considers that the Parties are not close competitors in the supply of satellite capacity in the media segment in Europe. SES views Eutelsat as its most significant competitor in Europe because: (i) like SES, Eutelsat supplies satellite capacity (for DTH, FTA and cable distribution) across Europe but is largely focused on Western Europe countries like Germany and the UK; and (ii) SES and Eutelsat supply satellite capacity for media distribution from the same orbital location (the Astra constellation at 28.2° East) which means that the cost of switching would be reduced.

(256) The Notifying Party considers that Intelsat, on the other hand, is close to Space Norway because: (i) Intelsat is active primarily in DTH in only a small number of countries in Central and Eastern Europe, namely Slovakia, Czech Republic, Romania, Hungary and Bulgaria; and (ii) Intelsat supplies satellite capacity for DTH in Slovakia, Czech Republic, Romania and Hungary via Space Norway's Thor 5, 6 and 7 satellites as 1° West and Intelsat's 10-02 satellites at 1° West. As such, it is relatively easy for customers to switch between Intelsat and Space Norway, given that the transponders are located on the same satellite and no adjustment of antennas would be required on consumer households. ([315])

(257) Fourth, the Notifying Party submits that the Parties both share orbital locations with third party satellite operators in Europe. The Parties have the right to commercialize capacity on satellites that are owned by third parties. For example, in Slovakia, Czech Republic, Romania and Hungary, Intelsat is active via Space Norway's Thor 5, 6 and 7 satellites as 1° West. Conversely, a third party (Eutelsat) has a right to commercialise capacity on a SES satellite (SES Astra satellites located at 28.5° East and 28.2° East orbital location). ([316])

(258) Fifth, the Notifying Party submits that satellite usage in the media segment is constrained by the widespread adoption of alternative distribution methods (IP-based terrestrial distribution as described in paragraph (30)). ([317]) According to the Notifying Party, the same trend of increased adoption would regard also the

([313]) Form CO, paras 904-22.
([314]) Form CO, paras 919-22.
([315]) Form CO, paras 932-54.
([316]) Form CO, paras 923-31.
([317]) Notifying Party's White Paper on Media, 25 March and 5 May 2025, in Annex 2 to Notifying Party's response of 5 May 2025 to Commission's RFI 9.

IPTV (paragraph (34)). ([318]) The Notifying Party refers, first, to its media customers (i.e., broadcasters) heavily investing in OTT and Internet-based streaming services to deliver their content directly to audiences, rather than via satellite operators. ([319]) In addition, the Notifying Party refers to consumer trends demonstrating a clear preference for streaming, i.e., 'cutting the cord', as shown by a third-party report ([320]) showing for example that the global satellite pay-DTH market has shed 35 million subscribers over the past five years. ([321])

(259) According to the Notifying Party, there would be little to no marginal costs involved for a pay-TV subscriber to switch from a satellite to IP-based terrestrial distribution: most viewers already have an internet connection in place that would enable them to access the content, and broadcasters would only need to ensure the necessary content infrastructure is in place (e.g. by feeding content into the terrestrial stream or, for streaming-based services, maintaining the required software or app infrastructure). The vast majority of broadcasters or content providers would have already such infrastructure in place and cloud companies would also be offering cloud-based distribution solutions to media companies. Further, the Internet-based OTT distribution model would allow for more targeted advertising than would be possible over satellite due to the data that broadcasters can obtain on viewing habits. ([322])

(260) According to the Notifying Party, IP-based terrestrial distribution includes fibre, as well as fixed Very High-Capacity Network ('**VHCN**') connections (e.g., DSL) and mobile connectivity from 5G networks, all of which would be cheap and reliable alternatives to satellite distribution and readily available to almost everyone throughout Europe. ([323]) According to the Notifying Party, a full fibre penetration would not be required, and the relevant metric would be the availability of a sufficiently fast internet connection to download and/or view content irrespective of the technology that supports this. As concerns scarcely populated or rural areas: internet connection could be achieved through LEO

([318]) Notifying Party's White Paper on Media, 25 March and 5 May 2025, in Annex 2 to Notifying Party's response of 5 May 2025 to Commission's RFI 9, paras 2.14, 2.16, 2.25, 2.30, 2.33, 2.34, 2.36.

([319]) Form CO, paras 979, 982. The Notifying Party submits that broadcasters are taking content that was previously distributed exclusively over cable or broadcast and distributing it OTT. The Notifying Party refers to Novaspace, 'Satellite Connectivity and Video Market', 31st edition, September 2024, in Form CO Annex 32, which indicates that in the coming decade '[*a] growing number of broadcasters are expected to end satellite distribution to solely focus on OTT distribution*'. The Notifying Party offers examples of media customers migrating from satellite to terrestrial alternatives: in […], Intelsat's customer […] is migrating to IPTV and reducing the amount of satellite capacity obtained from Intelsat (Form CO, paras 949-50, 1005-06). See also Intelsat Confidential Annexes 43 and 44 to the Form CO. The same Intelsat Confidential Annexes evidence that there is 'pressure' from […] 'to terminate DTH' in the […]); in […] dropped its DTH service in January 2025 and it only offers IPTV to its customers (Form CO, para. 1007).

([320]) Novaspace, 'Satellite Connectivity and Video Market', 31st edition, September 2024, Chapter 2.1 'Video Distribution and Contribution Services', page 65 (in Form CO Annex 32), indicates that in 2023 specifically, pay-DTH subscriptions declined by 3.6% year-over-year, driven by stronger free-to-air competition and a growing number of homes cutting the cord and moving to OTT services. Furthermore, pay-DTH subscriptions are expected to lose an additional 38 million subscribers globally over the next ten years. In the meantime, there were 154 active pay-DTH platforms worldwide as of year-end 2023, four fewer than in 2022 (with a decrease of 2.5%) and 14 fewer than five years ago (CAGR of -1.7%). The total number of active pay-DTH platforms is forecast to drop by over 30 units by 2033 (CAGR of -2.1%).

([321]) Form CO, paras 967-78, 1037.

([322]) Form CO, paras 979-86.

([323]) Notifying Party's response of 5 May 2025 to Commission's RFI 9, question 8.

satellite connectivity, 5G, fixed VHCN, and fibre; ([324]) and individual subscribers (who may have access to fewer options in terms of Internet connectivity) are not the customers of the Parties (who are the broadcasters and platform operators, for which a single price is negotiated for the entire satellite reach). ([325])

(261) Sixth, the Notifying Party submits that market shares tend to reflect past competition at the point a media platform was launched and are not reflective of significant current or future competitive constraints. The primary point at which competition takes place is when a new media platform is launched, which has become increasingly rare. Once a broadcaster has acquired viewers with antennas pointed at specific satellites, switching between satellite operators is rare and limited to exceptional cases where satellite operators offer capacity on the same satellite, or following merger activity where the vertical integration may outweigh the switching costs involved. As such, instances of switching are rare, as are instances of new 'greenfield' opportunities (i.e. entirely new media customers, platforms and broadcasters entering the European market). Therefore, the Parties consider that competitive pressure instead comes primarily from IP-based terrestrial distribution. The main engagements between satellite operators and media customers typically arise in the context of a contract renewal and the Parties' internal documents would demonstrate that they have lost customers to IP-based terrestrial distribution. In particular, as noted above the Notifying Party submits that two major alternatives to satellite distribution are fibre and OTT distribution. ([326])

(262) Seventh, the Notifying Party submits that, as a result of the demand-side uptake of streaming and supply-side uptake of terrestrial, the number of linear TV channels being distributed is decreasing. This is supported by a Novaspace report which indicates that the number of TV channels has decreased for three of the past five years ([327]), particularly in Western Europe (and North America). ([328])

(263) Eighth, the Notifying Party further submits that another consequence of this trend is that satellite revenues in the media segment are decreasing. This is supported by the Novaspace 2024 report which indicates that the revenue of satellite operators from global video services fell by over USD 20 billion in the past five years to USD 84 billion in 2023. The same report anticipates another USD 20 billion decrease in global video revenues to USD 63.4 billion by 2033. SES's own revenues in the media segment have decreased by 30.1% between 2017 and 2023 and Intelsat's media revenues have decreased by 29.7% across the same time period. ([329])

([324]) Notifying Party's response of 14 May 2025 to Commission's RFI 10, question 7. Speeds of just 5-8 Mbps are sufficient for HD video streaming, and all Member States in which Intelsat is active, except […], currently rank above the EU average of 30+ Mbps coverage (and […]). And even when considering 100+ Mbps broadband connectivity, all of the Member States in which Intelsat is active with the exception of […] remain above the EU27 average of 89% coverage. Any remaining difference between rural and populated areas can be expected to continue to diminish, as all Member States in which Intelsat is active have committed to the Digital Decade and are aiming for 'Gigabit connectivity for all by 2030'.

([325]) Notifying Party's response of 23 May 2025 to Commission's RFI 11, question 6.

([326]) Form CO, paras 935-37, 987-1011 and 1061-68.

([327]) 'Satellite Connectivity and Video Market', 30th edition, dated September 2023. Further, in 2022, close to 42 900 TV channels were distributed by satellite globally, down 1.6% year-over-year.

([328]) Form CO, paras 1012-38.

([329]) Form CO, paras 1016-1038. Further, the Notifying Party submits that Dataxis data indicates that in 2017 satellite DTH represented 38.7% of total industry pay-TV revenues. This share has now

(264) Ninth, the Notifying Party considers that media customers would have significant countervailing buyer power. Customers would generally be sophisticated, large-scale businesses such as DTH platform providers, content providers, commercial and state broadcasters, popular programming channels and sports rights holders. Media customers are also among the Parties' most significant customer groups in terms of revenues (in 2023, the supply of satellite capacity to such customers represented […]% of SES's satellite capacity revenues and […]% of Intelsat's satellite capacity revenues). When negotiating contracts with the Parties, these customers would therefore be able to influence factors such as volume commitments and contract length, as well as to refer to the possibility of accelerating their conversion to streaming as an alternative to satellite distribution. ([330])

(265) Tenth, the Notifying Party submits that contract durations for the supply of one-way satellite capacity are decreasing. As customers face increasing competition from IPTV and OTT platform providers, the unpredictability of a number of commercial factors such as subscriber numbers (for satellite distribution) is causing customers to be more risk-averse and therefore require lower volumes of satellite capacity for shorter committed periods. A typical duration of a contract entered into in recent years would be […] years (and in some cases only […] years) in contrast with […] years prior to 2020. ([331])

(266) Last, the Notifying Party submits that, to the extent satellite technologies continue to be relevant in media distribution to support internet-based streaming, the Parties will face strong competition from LEOs such as Starlink or OneWeb. ([332]) According to the Notifying Party, the Parties face competition from LEO competitors in media contribution (e.g., live news or sports coverage; which, unlike media distribution, is a point-to-point connection service like fixed data and mobility services). ([333]) ([334])

6.4.1.2. Commission's assessment

(267) The Commission considers that the Transaction does not raise serious doubts as to its compatibility with the internal market as a result of horizontal effects in the market for the supply of one-way satellite capacity (for media purposes) and any potential segment thereof,at worldwide, EEA-wide or regional (Western or Eastern Europe) level.

(268) This is in particular because, as set out in further detail below, (i) the increment accounted for by SES or Intelsat is not significant (section 6.4.1.2.1); (ii) a sufficient number of credible alternatives will remain post-Transaction (section 6.4.1.2.2), (iii) SES is close competitor with Eutelsat (section 6.4.1.2.3); (iv) customers (broadcasters) have bargaining power (section 6.4.1.2.4); (v) the market is constrained by IP-based terrestrial distribution (section 6.4.1.2.5); (vi)

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decreased to 28.8% in 2023 and it is estimated that in 2029, satellite DTH will represent only 21.5% of total pay-TV revenues and 13.6% of all pay-TV subscribers.

([330]) Form CO, paras 955-960.

([331]) Form CO, paras 961-966.

([332]) Form CO, paras 1042-1044.

([333]) Form CO, paras 1045-1068.

([334]) In addition to 'media distribution', the Parties provide satellite capacity for 'media contribution' e.g., live news or sports coverage. The present Decision does not focus on media contribution because the Parties' combined market shares in the EEA remain well below 10% and the increment is *de minimis* (with Intelsat's share at only [0-5]%). Form CO, paras 1059-60; Notifying Party's response of 5 May 2025 to Commission's RFI 9, question 4, para. 4.3.

there is sufficient spare capacity (section 6.4.1.2.6); (vii) the market size is declining (section 6.4.1.2.7); and (viii) market respondents consider that the Transaction will have a neutral impact on their company and the market (section 6.4.1.2.8).

6.4.1.2.1. The increment accounted for by SES or Intelsat is not significant in most markets

(269) Based on the market share data provided by the Notifying Party (Section 6.3.1 and Table 50), the combined market shares range from c. 20% to c. 40% when considering transmissions, and are higher when considering revenues. ([335]) However, the increment accounted for by SES or Intelsat is rather low, sometime even minimal, modest or limited depending on the affected market under assessment.

(270) Intelsat's offering in the following affected markets will only increase SES's position to a limited extent, as indicated below:

(a) Increase in the market for the supply of one-way satellite capacity (for media purposes)

- EEA-wide: [0-5]% (based on transmissions) or [0-5]% (based on revenues).
- Eastern Europe: [5-10]% (based on transmissions).
- Western Europe: [0-5]% (based on revenues).

(b) Increase in DTH distribution

- EEA-wide: [5-10]% ([…]).
- Eastern Europe: [10-20]% (based on transmissions).

(c) Increase in FTA & cable distribution

- EEA-wide: [0-5]%. (based on revenues).
- Western Europe: [0-5]%. (based on revenues).

(d) Increase in FTA distribution

- EEA-wide: [0-5]%.

(271) Further, in the following affected markets, the increment accounted for by Intelsat is higher but still moderate:

(a) Increase in Market for the supply of one-way satellite capacity (for media purposes)

- Worldwide: [10-20]% (based on revenues).

(b) Increase in DTH distribution

- Worldwide: [10-20]% (based on revenues).

(c) Increase in FTA & cable distribution

- Worldwide: [10-20]% (based on transmissions) or [10-20]% (based on revenues).

([335]) See footnote 286 on why revenues may not be appropriate for the assessment of the Transaction.

(272) Similarly, in the only remaining affected market, the increment is accounted for by SES and it is also moderate:

(a) Cable distribution

- Worldwide: [10-20]% (based on transmissions) or [10-20]% (based on revenue).

(273) Therefore, the Commission concludes that the increment brought about by the Transaction is not significant in most markets.

6.4.1.2.2. A sufficient number of credible competitors remain post-Transaction

(274) The merged entity will continue to compete with several other suppliers of satellite capacity in the market for the supply one-way satellite capacity (for media purposes) and any product segments thereof at a worldwide, EEA-wide or regional (Western or Eastern Europe) level.

6.4.1.2.2.1. Markets affected at worldwide level ([336])

(275) During the market investigation, the majority of market respondents having expressed a view considered that there are sufficient alternative suppliers to SES and Intelsat in the market for the supply of one-way satellite capacity (for media purposes) at worldwide level. ([337]) Most respondents ([338]) having expressed a view indicated that Eutelsat, ArabSat/Hellas Sat and Telesat are alternative suppliers at worldwide level. ([339])

(276) In the potential segment for DTH distribution, most respondents having expressed a view considered that both Eutelsat and ArabSat/Hellas Sat are alternative suppliers. ([340])

(277) In the potential segments for either FTA or cable distribution, most respondents having expressed a view indicated Eutelsat as an alternative at worldwide level. In addition, several respondents also indicated Telesat, ArabSat/Hellas Sat, Hispasat, Measat, Turksat, Nilesat, AsiaSat and/or ABS as alternatives in the potential segment for FTA distribution. Further, several respondents indicated AsiaSat and ABS as alternatives in the potential segment for cable distribution. ([341])

(278) Given that respondents considered that there are alternative suppliers in the narrowest potential segments of FTA or cable distribution when considered separately, the Commission considers that the same is applicable to the potential wider segment for FTA & Cable (combined).

([336]) To recall, these are: (i) the market for the supply of one-way satellite capacity (for media purposes); (ii) the potential segment for DTH distribution; (iii) the potential segment for FTA & cable distribution; and (iv) the potential segment for cable distribution.

([337]) Replies to Q1 (Media), question D.A.B.1.

([338]) For the purposes of this decision, 'most respondents' refers to the most selected option(s) by market respondents when a majority of more than 50% has not been reached.

([339]) Replies to Q1 (Media), question D.A.B.4.

([340]) Replies to Q1 (Media), question D.A.B.4.

([341]) Replies to Q1 (Media), question D.A.B.4. For completeness, the same number of respondents indicated that ArabSat/Hellas Sat was and was not an alternative in the potential segment for FTA distribution, which is inconclusive.

6.4.1.2.2.2. Markets affected at EEA level ([342])

(279) The majority of market respondents having expressed a view considered that there are sufficient alternative suppliers to SES and Intelsat in the market for the supply of one-way satellite capacity (for media purposes) in the EEA. ([343]) Most respondents having expressed a view indicated that Eutelsat and Hispasat are alternative suppliers in the EEA. ([344])

(280) In the potential segments for DTH, FTA or cable distribution, most respondents having expressed a view indicated Eutelsat as an alternative in the EEA. In addition, several respondents also indicated Space Norway, ArabSat/Hellas Sat, BulgariaSat, Hispasat and/or Telesat as alternatives in the potential segment for DTH distribution. Further, several respondents indicated Hispasat and Amos Spacecom as alternatives in the potential segment for FTA distribution. In addition, several respondents indicated Space Norway and Hispasat as alternatives in the potential segment for cable distribution. ([345])

(281) Given that respondents considered that there are alternative suppliers in the narrowest potential segments of FTA or cable distribution when considered separately, the Commission considers that the same is applicable to the potential segment for FTA & Cable (combined).

6.4.1.2.2.3. Markets affected at regional level ([346])

(282) The majority of respondents having expressed a view submitted that there are not sufficient alternatives at a regional level in the market for one-way satellite capacity (for media purposes). ([347]) Explanations by these respondents relate to the difficulty in switching providers in the most relevant orbital locations for a given region. ([348]) The difficulty in switching is addressed in the sections on customers (broadcasters) having bargaining power (Section 6.4.1.2.4) and the market being constrained by IP-based terrestrial distribution (Section 6.4.1.2.5).

(283) However, in response to another question of the market investigation, the majority of respondents having expressed a view submitted that the several suppliers indicated above are alternatives in the market for the supply of one-way satellite capacity (for media purposes) and any potential segments thereof (DTH, FTA or cable distribution) in the EEA would be the same at a regional level. ([349]) Therefore, the Commission concludes that there would also be alternative suppliers at regional level.

6.4.1.2.3. SES is a close competitor with Eutelsat

(284) During the market investigation, some of the results on closeness of competition were mixed: for example, the same number of respondents expressed a view

([342]) To recall, these are: (i) the market for the supply of one-way satellite capacity (for media purposes); (ii) the potential segment for DTH distribution; (iii) the potential segment for FTA & cable distribution; and (iv) the potential segment for FTA distribution.
([343]) Replies to Q1 (Media), question D.A.B.1.
([344]) Replies to Q1 (Media), question D.A.B.2. For completeness, the same number of respondents indicated that ArabSat/Hellas Sat was and was not an alternative, which is inconclusive.
([345]) Replies to Q1 (Media), question D.A.B.2.
([346]) To recall, these are (i) the market for the supply of one-way satellite capacity (for media purposes); (ii) the potential segment for DTH distribution; and (iii) the potential segment for FTA & cable distribution.
([347]) Replies to Q1 (Media), question D.A.B.1.
([348]) Replies to Q1 (Media), question D.A.B.1.2.
([349]) Replies to Q1 (Media), question D.A.B.3.

considered that SES and Intelsat compete closely and are not close competitors. ([350])

(285) However, taking into consideration the overall results of the market investigation, as well as the Parties' internal documents, the Commission considers that Eutelsat is SES's closest competitor in the market for one-way satellite capacity (for media purposes) and any product segment thereof (i.e. DTH, FTA and cable distribution) at worldwide, EEA-wide and regional level.

(286) As for Intelsat's closest competitor at worldwide, EEA-wide or regional level, the results of the market investigation are inconclusive. The Commission notes that in Europe Intelsat's satellites are in the same orbital location as competitor Space Norway (former Telenor) at 1° West (paragraph (40)). In any event, the fact that Eutelsat is the closest competitor to SES indicates that the Parties are not close competitors.

6.4.1.2.3.1. Markets affected at worldwide level

(287) During the market investigation, most respondents, having expressed a view, ranked the following suppliers of one-way satellite capacity and any product segments thereof (i.e., DTH, FTA and cable distribution) as the closest competitors to SES (e.g., in terms of price, performance and coverage) at worldwide level: (1) Eutelsat, (2) Intelsat, (3) ABS, AT&T, AsiaSAt, Hispasat, Intelsat or Telesat, (4) AsiaSat and JSAT, (5) ABS, AsiaSat, INSAT, Space Norway and Thaicom. ([351])

(288) The fact that Eutelsat is a close competitor to SES at worldwide level is also supported by SES' internal documents. For example, […]. ([352])

(289) Therefore, the Commission concludes that, while Intelsat may be a close competitor to SES, Eutelsat is the closest competitor to SES in the market for the supply of one-way satellite capacity and any product segments thereof (i.e. DTH, FTA and cable distribution).

(290) Most respondents having expressed a view ranked the following suppliers of one-way satellite capacity and any product segments thereof (i.e. DTH, FTA and cable distribution) as the closest competitors to Intelsat (e.g. in terms of price, performance and coverage) at worldwide level: (1) SES, (2) Eutelsat, (3) AsiaSat, (4) Optus, and (5) AsiaSat. ([353]) In this regard, one customer stated that '*both Intelsat and SES operate a worldwide satellite fleet paced on adjacent orbital locations*.'

(291) However, most responses do not substantiate why SES would be the closest competitor to Intelsat at worldwide level. The few substantiated responses seem to indicate that either SES or Eutelsat would be the closest competitors to Intelsat.

([350]) Replies to Q1 (Media), question D.A.C.1.

([351]) Replies to Q1 (Media), question D.A.C.11. For the avoidance of doubt: (i) when several suppliers are ranked in the same position, the same number of market respondents having expressed a view indicated all such suppliers as being in such position (e.g. the same number of market respondents ranked ABS, At&T, AsiaSat, Hispasat, Intelsat and Telesat in third place); and (ii) when a given supplier is repeated in more than one ranking position, such supplier was chosen by most market respondents having expressed a view for each of those positions (e.g. Intelsat was ranked in second place by most market participants that indicated a second place ranking and was also ranked in third place together with ABS, At&T, AsiaSat, Hispasat, and Telesat by most respondents that indicated a third place ranking).

([352]) Notifying Party's response of 27 May 2025 to Commission's RFI 12, Annex 3 ([…]).

([353]) Replies to Q1 (Media), question D.A.C.12.

In particular, one respondent indicates that '*we marked SES and Eutelsat, because we believe from our experience (even if we do not do business in every region of the world) that those 2 satellite providers are the ones together with Astra with the biggest footprint around the world. All the other mentioned 'players' are more associated with a specific region.*' Another customer indicated that SES is the '*main competitor worldwide, with a strong presence in media, DTH and cable distribution markets. Comparable GEO and MEO infrastructure, technical performance level and customer base such as Intelsat'* but also that Eutelsat is '*competitive in EMEA, increasingly active in Central Asia and North Africa. Particularly strong for DTH and FTA services – comparable to Intelsat in regional projects*' (translated). ([354])

(292) Therefore, the Commission considers that the market results show that SES may be the closest competitor to Intelsat in the market for one-way satellite capacity and any product segments thereof (i.e. DTH, FTA and cable distribution).

6.4.1.2.3.2. Markets affected at EEA level

6.4.1.2.3.2.1. One-way satellite capacity (for media purposes)

(293) During the market investigation, most respondents having expressed a view ranked the following suppliers of one-way satellite capacity (for media purposes) as the closest competitors to SES (e.g. in terms of price, performance and coverage) in the EEA: (1) Eutelsat, (2) Intelsat, (3) Hispasat, (4) ArabSat/Hellas Sat, and (5) Hispasat, ArabSat/Hellas Sat or Amos SpaceCom. ([355])

(294) The fact that Eutelsat is the closest competitor to SES at EEA level is also supported by SES' internal documents. For example, […]. ([356])

(295) Therefore, the Commission concludes that Eutelsat is the closest competitor to SES in the market for one-way satellite capacity (for media purposes) in the EEA.

(296) Most respondents having expressed a view ranked the following suppliers of one-way satellite capacity (for media purposes) as the closest competitors to Intelsat (e.g. in terms of price, performance and coverage) in the EEA: (1) Eutelsat, (2) SES (3) Space Norway, (4) Hispasat or ArabSat/Hellas Sat, (5) Amos SpaceCom. ([357])

(297) However, responses do not substantiate why Eutelsat would be the closest competitor to Intelsat at EEA level. One respondent ranked the closest competitors to Intelsat as (i) SES, (ii) Eutelsat and (iii) Space Norway. However, the explanation provided by such customer suggests that Space Norway would be the closest competitor to Intelsat: '*each of them has beams covering Europe. Eutelsat owns a key position on 13°E, Intelsat and Space Norway operate position 1°E which is key for central Europe. Astra has the key position on 19.2°E but also 28.2°E.*' Another customer stated that it considered '*SES as the only supplier in the EEA that can potentially compete with Intelsat in certain application fields, even if both companies have different focus*'. However, the same customer goes

([354]) Replies to Q1 (Media), question D.A.C.12.1. Original reply: '*1. SES Hauptkonkurrent weltweit, mit starker Präsenz in Medien-, DTH- und Kabelverbreitungsmärkten. Vergleichbare GEO- und MEO-Infrastruktur, technisches Leistungsniveau und Kundenbasis wie Intelsat. 2. Eutelsat Wettbewerbsfähig in EMEA, zunehmend aktiv in Zentralasien und Nordafrika. Besonders stark bei DTH- und FTA-Diensten – vergleichbar mit Intelsat in regionalen Projekten*'.

([355]) Replies to Q1 (Media), question D.A.C.2.

([356]) Notifying Party's response of 27 May 2025 to Commission's RFI 12, Annex 6, […].

([357]) Replies to Q1 (Media), question D.A.C.3.

on to highlight the differences in focus between SES and Intelsat in the EEA: '*Intelsat is not a traditional TV broadcaster in the EEA: Intelsat in Europe focuses mainly on data-based applications such as government communications, mobility (aviation, shipping) and network solutions. The role in the classical TV segment (e.g. DTH, FTA) is limited. SES has a broader technical portfolio: SES is a strong player in both classical TV broadcasting (above position 19.2° East) and active in global data and hybrid markets. Certain projects, such as multinational media customers, signal injections, event distribution or backup solutions, overlap with Intelsat's services. Other providers are either more focused on classical TV broadcasting (e.g. Eutelsat) or geographically and technologically limited. These are not in direct competition with Intelsat, as its target markets, customer groups and technical orientations differ greatly*' (translated). ([358])

(298) Further, in an Intelsat internal presentation […]. ([359])

(299) Therefore, the Commission considers that the market investigation results on determining the closest competitor to Intelsat in the market for one-way satellite capacity (for media purposes) at EEA level show that SES may be the closest competitor to Intelsat.

6.4.1.2.3.2.2. DTH distribution

(300) In the potential segment for DTH distribution, most respondents having expressed a view ranked the following suppliers as the closest competitors to SES (e.g. in terms of price, performance and coverage) in the EEA: (1) Eutelsat, (2) Intelsat, (3) Space Norway, (4) AMOS SpaceCom, (5) ArabSat/Hellas Sat. ([360])

(301) One customer explained that '*Eutelsat is the main DTH capacity competitor*' and '*Eutelsat competes closely with SES for DTH distribution in the EEA because both companies operate premium GEO orbital locations with extensive coverage, large installed user bases, and a similar service offering targeted at broadcasters and pay-TV platforms. This results in strong, direct competition between the two for DTH customers within Europe'.* ([361])

(302) Therefore, the Commission concludes that, while Intelsat may be a close competitor to SES, Eutelsat is a closer competitor to SES in the potential segment for DTH distribution in the EEA.

(303) In the potential segments for DTH distribution, most respondents having expressed a view ranked the following suppliers as the closest competitors to Intelsat (e.g. in terms of price, performance and coverage) in the EEA: (1) SES,

([358]) Replies to Q1 (Media), question D.A.C.3.1. Original reply: '*Intelsat ist kein klassischer TV-Broadcast-Anbieter im EWR: Intelsat fokussiert sich in Europa überwiegend auf datenbasierte Anwendungen wie Government-Kommunikation, Mobility (Luftfahrt, Schifffahrt) und Netzwerklösungen. Die Rolle im klassischen TV-Segment (z. B. DTH, FTA) ist begrenzt. SES hat ein breiteres technisches Portfolio: SES ist sowohl im klassischen TV-Broadcasting stark vertreten (über Position 19,2° Ost) als auch in globalen Daten- und Hybridmärkten aktiv. In bestimmten Projekten – etwa bei multinationalen Medienkunden, Signalzuführungen, Eventdistribution oder Backup-Lösungen – überschneiden sich die Leistungen mit denen von Intelsat. Andere Anbieter sind entweder stärker auf klassische TV-Ausstrahlung ausgerichtet (z. B. Eutelsat) oder geografisch und technologisch begrenzt. Diese stehen nicht in direkter Konkurrenz zu Intelsat, da deren Zielmärkte, Kundengruppen und technische Ausrichtungen stark abweichen*'.

([359]) Form CO, Annex 48 […].

([360]) Replies to Q1 (Media), question D.A.C.4.

([361]) Replies to Q1 (Media), question D.A.C.4.1.

(2) Eutelsat, (3) SES, Space Norway, ArabSat/Hellas Sat or Hispasat (4) Space Norway or ArabSat/Hellas Sat, (5) AMOS SpaceCom. ([362])

(304) However, most responses do not substantiate why SES would be the closest competitor to Intelsat in the potential segment for DTH distribution. One customer explained that '*Intelsat is at least with the two largest sat capacity providers SES and Eutelsat in close competition when providing sat services for media purposes*'. Another customer explained that '*depending on the coverage and the percentage of DTH dishes pointing to the provider's orbital locations, Intelsat is competing more or less mainly with SES and Eutelsat. Regionwise they also compete with the other providers mentioned above*.' ([363])

(305) Therefore, the Commission considers that the market investigation results on the closest competitor to Intelsat in the potential segment for DTH distribution at EEA level show that SES may be the closest competitor to Intelsat.

6.4.1.2.3.2.3. FTA distribution

(306) In the potential segment for FTA distribution, most respondents having expressed a view ranked the following suppliers as the closest competitors to SES (e.g. in terms of price, performance and coverage) in the EEA: (1) Eutelsat, (2) Intelsat, (3) Intelsat or Hispasat, and (4) RSCC. ([364])

(307) One customer explained that '*Eutelsat is the main SES competitors in FTA in EEA. SES 19.2E position vs Eutelsat Hotbird 13E position*'. Another customer justifies the closeness between SES and Eutelsat as follows: '*technically comparable infrastructure: Eutelsat operates one of the main orbital locations for FTA distribution in Europe with the Hotbird satellite fleet at 13° East. It is comparable to SES' Astra satellites at 19.2° East, both covering large parts of Europe and oriented towards a high density of devices (satellite dishes, receivers). Target customer group and content: Both providers serve similar audiences, including international broadcasters, public service broadcasters and special religious or ethnic programmes, which are distributed in Europe without encryption (FTA). This content requires a broad technical coverage, offering both Eutelsat and SES. Competition in practice: In day-to-day operational practice (e.g. tenders, comparisons of offers), SES and Eutelsat regularly face direct competition, especially for FTA programmes with a pan-European or regional reach. Other suppliers are not real alternatives in the EEA FTA market: […] The market structure in the FTA sector is characterised by two dominant suppliers (SES and Eutelsat) – regional differences in scope or intensity of competition are not discernible*' (translated). ([365])

([362]) Replies to Q1 (Media), question D.A.C.5.
([363]) Replies to Q1 (Media), questions D.A.C.4.1. and D.A.C.5.1.
([364]) Replies to Q1 (Media), question D.A.C.6. No supplier was ranked in fifth place.
([365]) Replies to Q1 (Media), question D.A.C.6.1. Original reply: '*Technisch vergleichbare Infrastruktur: Eutelsat betreibt mit der Hotbird-Satellitenflotte auf 13° Ost eine der wichtigsten Orbitpositionen für FTA-Verbreitung in Europa. Diese ist mit SES' Astra-Satelliten auf 19,2° Ost vergleichbar – beide decken große Teile Europas ab und sind auf eine hohe Endgerätedichte (Satellitenschüsseln, Receiver) ausgerichtet. Kundenzielgruppe und Inhalte: Beide Anbieter bedienen ähnliche Zielgruppen – darunter internationale Broadcaster, öffentlich-rechtliche Sender und religiöse oder ethnische Spezialprogramme, die in Europa unverschlüsselt (FTA) verbreitet werden. Diese Inhalte benötigen eine breite technische Abdeckung, die sowohl Eutelsat als auch SES bieten. Wettbewerb in der Praxis: In der täglichen operativen Praxis (z. B. Ausschreibungen, Angebotsvergleiche) stehen SES und Eutelsat regelmäßig in direkter Konkurrenz, insbesondere wenn es um FTA-*

(308) Therefore, the Commission concludes that, while Intelsat may be a close competitor to SES, Eutelsat is the closest competitor to SES in the potential segment for FTA distribution at EEA level.

(309) In the potential segment for FTA distribution, most respondents having expressed a view ranked the following suppliers as the closest competitors to Intelsat (e.g. in terms of price, performance and coverage) in the EEA: (1) Eutelsat, (2) SES, (3) Hispasat, and (4) RSCC. ([366])

(310) However, most responses do not substantiate why Eutelsat would be the closest competitor to Intelsat in the potential segment for FTA distribution. One customer indicated that '*Intelsat has only one FTA position in Europe - 1West together with Telenor. Main competitors - Eutelsat Hotbird 13E and SES 19.2E*'. ([367])

(311) Another customer explained that Intelsat 'is *barely active in the tradition* FTA segments in Europe; the *focus is on data, and applications with a specific scope requirement.*' (translated). ([368])

(312) Therefore, the Commission considers that the market results on the closest competitor to Intelsat in the potential segment for FTA distribution at EEA level show that, SES may be the closest competitor Intelsat.

6.4.1.2.3.2.4. Cable distribution

(313) In the potential segment for cable distribution, most respondents having expressed a view ranked the following suppliers as the closest competitors to SES (e.g. in terms of price, performance and coverage) in the EEA: (1) Eutelsat, (2) Eutelsat or Intelsat, (3) Intelsat, Hispasat or Space Norway, (4) Space Norway, and (5) ArabSat/Hellas Sat. ([369])

(314) One customer indicated that '*it all depends on the selection criteria and the geostationary position that best meets the need. For example, the 1°W position where Intelsat operates with IS 1002 and Space Norway with the THOR satellites will be more suitable for Central and Northern Europe, while other positions held by SES and EUTELSAT will offer good overall prospects to the West and East*.' Another customer explained that it '*considers Eutelsat to be the main competitor of SES in the transmission of signals to cable networks in the EEA. Intelsat can also be used as an alternative in specific use cases, but much more limited*' (translated). ([370])

(315) Therefore, the Commission concludes that, while Intelsat may be a close competitor to SES, Eutelsat is likely the closest competitor to SES in the potential segment for cable distribution at EEA level.

Programme mit europaweiter oder regionaler Reichweite geht. Andere Anbieter sind keine realen Alternativen im EWR-FTA-Markt: [...] Die Marktstruktur im FTA-Bereich ist durch zwei dominante Anbieter (SES und Eutelsat) geprägt – regionale Unterschiede in Bezug auf Reichweite oder Wettbewerbsintensität sind nicht erkennbar'.

([366]) Replies to Q1 (Media), question D.A.C.7. No supplier was ranked in fifth place.

([367]) Replies to Q1 (Media), question D.A.C.1.

([368]) Replies to Q1 (Media), question D.A.C.6.1. Original reply: '*Intelsat: Ist in Europa kaum aktiv im klassischen FTA-Segment; Fokus liegt auf Daten- und Spezialdiensten*'.

([369]) Replies to Q1 (Media), question D.A.C.8.

([370]) Replies to Q1 (Media), question D.A.C.8.1. Original reply: '*betrachtet Eutelsat als den wichtigsten Wettbewerber von SES in der Signalzuführung für Kabelnetze im EWR. Intelsat kann in spezifischen Anwendungsfällen ebenfalls als Alternative dienen, jedoch deutlich eingeschränkter*'.

(316) In the potential segment for cable distribution, most respondents having expressed a view ranked the following suppliers as the closest competitors to Intelsat (e.g. in terms of price, performance and coverage) in the EEA: (1) SES, (2) Eutelsat, (3) Hispasat or ArabSat/Hellas Sat, (4) Space Norway. ([371])

(317) However, most respondents do not substantiate why SES would be the closest competitor to Intelsat. One customer explained that SES '*provides an established satellite delivery infrastructure for cable operators in the EEA, including high technical coverage, service quality and reliability. In cases where Intelsat is used as a cable supply provider, SES is the most obvious alternative, both technically and economically'* and that Eutelsat *'also operates important satellite positions (mostly 13° East) for signal delivery to cable head stations across Europe. Especially for international FTA or pay-TV signals, Eutelsat is a plausible alternative to Intelsat*'. ([372])

(318) Therefore, the Commission considers that the market results on the closest competitor to Intelsat in the potential segment for cable distribution at EEA level show that, SES may be the closest competitor Intelsat.

6.4.1.2.3.2.5. FTA & Cable (combined)

(319) Given that respondents considered that Eutelsat is the closest competitor to SES in the narrowest potential segments of FTA or cable distribution, when considered separately, the Commission considers that the same is applicable to the potential segment for FTA & Cable (combined). Similarly, the results on the closest competitor to Intelsat in this segment show that, SES may be the closest competitor Intelsat.

6.4.1.2.3.3. Markets affected at regional level

(320) The majority of market respondents having expressed a view considered that the above-mentioned ranking of closest suppliers to each of SES and Intelsat in the market for the supply of one-way satellite capacity (for media purposes) and in any potential segments thereof (i.e., including the segment for FTA and cable distribution combined) ([373]) in the EEA would be the same at a regional level (e.g. Western and Eastern Europe). ([374])

(321) Further, one customer explained that '*Eutelsat seems to be the closest competitor in central Europe as DTH dishes especially in regions neighbouring to GER/AUT like France, Italy, Benelux are substantially also pointing to Eutelsat positions as well as to SES ones*'. ([375])

(322) Therefore, the Commission concludes that, while Intelsat may be a close competitor to SES, Eutelsat would be a closer competitor to SES at regional level. As for the closest competitor to Intelsat, the results show that SES may be the closest competitor Intelsat.

([371]) Replies to Q1 (Media), question D.A.C.9. For the avoidance of doubt, no supplier was ranked in fifth place.

([372]) Replies to Q1 (Media), question D.A.C.9.1.

([373]) There is no regionally affected market in the potential segments for FTA or cable distribution when considered separately.

([374]) Replies to Q1 (Media), questions D.A.C.2.2., D.A.C.3.2., D.A.C.4.2., D.A.C.5.2, D.A.C.6.1., D.A.C.7.2., D.A.C.8.2. and D.A.C.9.2.

([375]) Replies to Q1 (Media), question D.A.C.2.1.

6.4.1.2.4. Customers (broadcasters) have bargaining power

(323) Even though the feedback to the market investigation indicates that switching suppliers is difficult and LEO satellites are not a competitive constraint, customers (which are mainly broadcasters) consider that they have bargaining power, both when purchasing satellite capacity for media purposes and when negotiating contract renewals.

(324) The majority of respondents having expressed a view indicated that to switch their supplier of one-way satellite capacity (for media purposes), taking into account the cost, time and feasibility of switching suppliers, is technically complex, disruptive to the business, requires a lot of time and is therefore not a realistic option. ([376]) Once customers have adopted a supplier of one-way satellite capacity (for media purposes), in practice, they do not switch to different suppliers. ([377])

(325) One customer submitted that '*switching to another supplier would require many households to replace its satellite dish by a larger one (adding additional multifeed hardware) or to completely re-align the dish. This is not a realistic option, because it would be too costly*'. Similarly, another customer submitted that '*in FTA, once an antenna is installed and a decoder is configured, whether it is an individual or a professional affiliated operator, changes are always difficult to organize. The individual does not want to install a second antenna, and the professional who has multiple antennas will be reluctant to make technical changes. The situation is different in DTH where, most often, the offer is packaged with the initial installation of the antenna included. In any case, the viewer will make the effort to adapt their installation to continue benefiting from the services they pay for as part of a subscription. But here too, experience shows that DTH operators very rarely change orbital locations*'. ([378])

(326) In the view of market participants, this bargaining power exists even though LEOs are not considered an alternative for one-way satellite capacity (for media purposes). The majority of respondents indicated that, in the context of the negotiations for agreements in the market for the supply of one-way satellite capacity (for media purposes) and any potential segments thereof, LEO satellites (for example, Starlink or OneWeb) are not currently mentioned as alternatives. ([379]) This is mainly because LEOs do not have the necessary technical characteristics for media distribution. For example:

(a) One respondent submitted that '*LEO systems are primarily focused on two-way broadband services and are not yet considered technically or commercially viable for traditional broadcast distribution*'. ([380])

(b) Another respondent explained in more detail that '*those satellites are not efficient for video distribution (one to many), LEO have some advantages of satellite (easy deployment) and specifically LEO are very suitable for two-way data transfer for applications such as IoT or just internet access (with little latency), but capacity is not one of their main advantages and creating an specific content to address the demand every single ground*

([376]) Replies to Q1 (Media), question D.A.C.17.
([377]) Replies to Q1 (Media), question D.A.C.18.
([378]) Replies to Q1 (Media), question D.A.C.17.1. and D.A.C.18.1.
([379]) Replies to Q1 (Media), question D.A.C.16.
([380]) Reply to Q1 (Media), question D.A.C.16.1.

installation is not possible when talking about media (huge data rates even with efficient compression techniques)'. ([381])

(c) A third customer explained that '*Leo systems are primarily designed for bidirectional data communication (e.g. internet, backhaul, enterprise connectivity). For classical TV distribution, the following are currently missing: Suitable bandwidth configurations for simultaneous broadcasting to many receivers; Stable orbitally fixed reception scenarios (unlike GEO systems); Technically established reception infrastructure on the customer side (e.g. head stations or end-users with fixed antennas). We have never referred to LEOs in contractual discussions or tenders, nor are providers currently playing them as an alternative*' (translated). ([382])

(d) Further, one customer submitted that there are '*fundamental differences in technical capabilities, coverage characteristics, and intended use cases that make LEO systems unsuitable for traditional one-way broadcast applications*'.

(e) Another customer submitted that '*LEO systems are primarily designed for two-way data services and lack the consistent, fixed coverage and infrastructure compatibility required for traditional linear broadcast transmission. GEO satellites remain the standard for reliable, point-to-multipoint media deliver*'.

(327) Similarly, another respondent submitted that '*at this time, LEO does not have* the *reliability, bandwidth, business model and capacity to transmit all our TV and Radio programs. In addition, this would create a lot of extra cost for the households, which are using standard DVB-S2 receivers in their TV sets or Set Top Boxes. To supply this legacy households reliably needs many more years of one-way DVB distribution*'. ([383]) Notwithstanding the above, the majority of respondents having expressed a view submitted that customers are able to obtain favourable terms when purchasing one-way satellite capacity (for media purposes) indicating that they have 'medium customer power' (e.g. negotiating and bargaining power). ([384])

(328) When asked whether customers can obtain favourable terms when purchasing one-way satellite capacity (for media purposes), for example negotiating and bargaining power, the majority of respondents having expressed a view submitted that they have 'medium customer power'. ([385]) In particular, the majority of respondents having expressed a view submitted that, when negotiating the extension of an existing agreement for the supply of one-way satellite capacity (for media purposes), customers are able to renegotiate the terms and conditions

([381]) Reply to Q1 (Media), question D.A.C.16.1.

([382]) Reply to Q1 (Media), question D.A.C.16.1. Original reply: '*LEO-Systeme sind primär für bidirektionale Datenkommunikation (z. B. Internet, Backhaul, Enterprise-Konnektivität) ausgelegt. Für klassische TV-Distribution fehlen derzeit: Geeignete Bandbreitenkonfigurationen für gleichzeitige Ausstrahlung an viele Empfänger, Stabile orbital fixierte Empfangsszenarien (anders als bei GEO-Systemen), Technisch etablierte Empfangsinfrastruktur auf der Kundenseite (z. B. Kopfstationen oder Endkunden mit festen Antennen). In Vertragsgesprächen oder Ausschreibungen wurde von unserer Seite bislang nie auf LEO verwiesen, und auch Anbieter bringen sie aktuell nicht als Alternative ins Spiel*'.

([383]) Replies to Q1 (Media), questions C.A.A. 6 and C.A.A.12.

([384]) Replies to Q1 (Media), question D.A.C.13.

([385]) Replies to Q1 (Media), question D.A.C.13.

of such agreement with their supplier (and not merely extend the initially agreed terms and conditions). ([386])

(329) One respondent submitted that '*we consider customer power to be medium in the CEE region, as there is some room for negotiation on pricing and contract terms, especially when multiple providers cover the region. However, limited supplier options and long-term infrastructure commitments (e.g. dish alignment) reduce overall bargaining power compared to more competitive or mature markets*'. Another respondent submitted that '*due to the orbital location lock in there is no strong power. However, as Satellite loses a bit of relevance compared to streaming, the power is now getting better*'. ([387])

(330) Finally and importantly, IP-based terrestrial distribution is a competitive constraint in the market for one-way satellite capacity and the Parties' internal documents demonstrate that customers use it, in practice, to obtain better commercial terms, as explained in more detail below in Section 6.4.1.2.5.

6.4.1.2.5. The market is constrained by IP-based terrestrial distribution

(331) The Commission's market investigation has tested whether terrestrial broadcasting technologies (for example, fibre) are currently a credible alternative to the Parties, which was confirmed by most of the respondents having expressed a view. ([388]) For example, respondents submitted that:

(a) '*terrestrial telco services and internet access are the strongest competitors for satellite broadcast*';

(b) '*fiber optics, private contributions but also OTT via the public Internet can compete with the activities of SES and Intelsat for media distribution and contribution, especially in Europe where the rate of equipment and Internet connectivity allows this*';

(c) '*other transmission channels, especially the Internet, are becoming increasingly popular*';

(d) '*terrestrial broadcasting technologies such as fibre are increasingly seen as a credible alternative to satellite capacity, particularly for contribution feeds and cable distribution*';

(e) '*with the ongoing expansion of broadband, fibre will become a viable alternative not only to cable television but also to satellite television*';

(f) '*for broadcast contribution feeds ideally you have both fibre and satellite where and when possible. If for budget reasons there is only place for one and (reliable) fibre is available, the location is used regularly and the end destination(s) are easy to reach by fibre, fibre usually wins*';

(g) '*Other terrestrial broadcasting technologies are becoming viable alternatives*'. ([389])

(332) As regards in particular IPTV (paragraph (34)), one customer submitted that '*IPTV increasingly substitutes satellite TV*'; another customer submitted that '*IPTV increasingly substitutes satellite TV. This is the reason why [the customer] has phased out satellite TV products in many countries in Europe*'; another

([386]) Replies to Q1 (Media), question D.A.C.14.
([387]) Replies to Q1 (Media), question D.A.C.13.1.
([388]) Replies to Q1 (Media), question D.A.C.19.
([389]) All quotes from replies to Q1 (Media), question D.A.C.20.

respondent submitted that '*[customer] ceased offering its Direct-to-Home (DTH) satellite television service in [Member State]. The company shifted its focus to IPTV services, aligning with the growing demand for internet-based television and the broader industry trend towards digital streaming platforms*'. ([390])

(333) When asked to provide examples of past instances where customers switched from a satellite supplier of one-way satellite capacity to terrestrial broadcasting technologies, several respondents offered such examples (see also the last two quotes from the previous paragraph (332) on IPTV). ([391]) For example, respondents submitted:

(a) '*we are using terrestrial fibre distribution to some cable headends and terrestrial DVB [digital video broadcasting] transmission sites that were previously delivered via GEO satellite distribution. The costs are much lower*';

(b) '*In 2024 [customer] switched to fibre technology in the French market*';

(c) '*[customer] increasingly supplies its international customers (distributors) via internet connections rather than satellites*' (translated ([392]));

(d) '*we bypassed this in the United Kingdom when a major affiliated DTH operator offered us very high renewal terms. We then decided to distribute our service via the Internet to tablets and connected TVs*';

(e) '*a large percentage of UK households now consume TV content over broadband which in the past may have been delivered over satellite. [Our] strategy to focus on [products via terrestrial distribution] illustrate the credibility of fibre broadband as an alternative transmission method*';

(f) '*our company used to operate a DTH network with Astra that is still currently in use, but a migration from customers of that network is happening year after year. Other B2B customers are migrating the distribution to internet (OTT platforms) for distribution and internet (SRT or other standards) for contribution purposes*';

(g) '*we are using terrestrial fibre distribution to some cable headends and terrestrial DVB transmission sites that were previously delivered via GEO satellite distribution. The costs are much lower. We ceased a beam on SES's NSS12 (east hemi) and replaced it with terrestrial distribution*'. ([393])

(334) However, certain respondents submitted that satellite is still preferable in certain cases, for example for cross-border TV signal (one customer submitted that '*point-to-point transmission could as well be done via fibre, if* you *want to spread an event to several takers*, *satellite might be the better and more cost-effective option*'); and on a large scale (one respondent points out that: '*transmission is scalable: One signal for millions of households, regardless of local infrastructure*'). According to these respondents to the market investigation, the IP-based terrestrial alternatives do not cover all cases (one customer submitted that such alternatives are '*not for universal replacement*'), such as in particular:

([390]) All quotes from replies to Q1 (Media), question D.A.C.20.
([391]) Replies to Q1 (Media), question D.A.C.21.
([392]) Reply to Q1 (Media), question D.A.C.21, original: '*[customer] alimente de plus en plus ses clients (distributeurs) à l'international par des liaisons internet plutôt que satellites'*.
([393]) Replies to Q1 (Media), question D.A.C.21.

(a) For rural areas, a number of respondents stated that: '*fibre is limited to regions with suitable infrastructure – unavailable or uneconomical in rural/less developed areas*' (translated); ([394]) '*for end-user distribution in rural or infrastructure-limited regions (especially DTH households), satellite remains the only scalable and cost-efficient option*'; '*fibre offers high reliability, lower latency, and growing infrastructure availability, especially in urban and well-connected areas*'.

(b) For DTH, a number of respondents submitted that: '*only for contribution but not for the DTH installed base*'; '*satellite remains essential for DTH and wide coverage*'; '*Satellite remains the only option for large-scale direct end-user distribution (e.g., DTH) – fiber optic cannot reach end users directly*' (translated); ([395]) '*In Germany, 16.3m TV HHs receive the TV signals over DTH, this is 46% of the market. This is the largest proportion amongst all distribution technologies. It is not possible to switch these HHs off*'; '*Terrestrial solutions are credible for certain segments, but not as a full replacement for satellite DTH*'.

(c) Finally, a number of respondents submitted that: '*this would not be a commercially viable alternative in a vast majority of cases*'; '*due to its limited technical capacity, terrestrial (DVB-T [Digital Video Broadcasting Terrestrial]) use is not an alternative for a multi-programme provider such as [ours]*'; '*[the customer] currently serves 16 million households in Germany via satellite distribution, and does not expect this figure to significantly decrease in the next 5-10 years. Replacing this distribution path by a different one is not realistic and would impose significant cost on private households*'; '*Depen[ds] on [the] market but as [the customer] is looking for 100% technical reach and there are FTA only households in each market, satellite can´t be substituted fully and is currently needed to ensure cable distribution*'. ([396])

(335) Independent market reports confirm that satellite TV is constrained by IP-based terrestrial distribution, especially in Europe. ([397]) This shown in Figure 2 below.

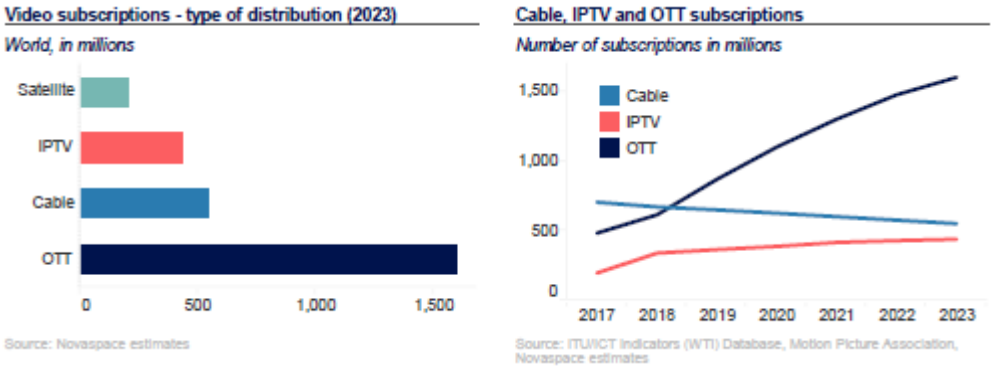
([394]) Reply to Q1 (Media), question D.A.C.20, original: '*Fibre ist auf Regionen mit geeigneter Infrastruktur beschränkt – nicht verfügbar oder unwirtschaftlich in ländlichen/minder erschlossenen Gebieten'*.

([395]) Reply to Q1 (Media), question D.A.C.20, original: '*Satellit bleibt alternativlos bei großflächiger direkter Endkundenverbreitung (z. B. DTH) – Glasfaser kann Endverbraucher nicht direkt erreichen*'.

([396]) All quotes from replies to Q1 (Media), question D.A.C.20.

([397]) Novaspace, 'Satellite Connectivity and Video Market', 31st edition, September 2024, Chapter 2.1 '"Video Distribution and Contribution Services"', page 66 (in Form CO Annex 32 to the Form CO): […]. See also ResearchAndMarkets, 'Western Europe Pay TV Market Report 2024: IPTV to Gain 1 Million Subscribers between 2023 and 2029, with Pay Satellite TV Down by 6.4 Million', 3 April 2024.

Figure 2: Different types of video subscriptions



Source: Novaspace, 'Satellite Connectivity and Video Market', September 2024, page 74

(336) In addition, the Commission has assessed the availability of a sufficiently fast internet connection, as well as the fibre penetration, in each of the Member States where Intelsat is active i.e., Czech Republic, Hungary, Romania, Slovakia, and to a lesser extent Ireland and Romania: ([398])

(a) The DESI data (paragraph (32)) on fibre penetration ([399]) demonstrate that fibre penetration is ramping up across the Member States where Intelsat is active.

(b) According to the DESI 2024 report, the transmission rate needed for video streaming ([400]) is already achieved and far exceeded by "*more than 80% of households in all study countries except Latvia.* [In Czechia] *broadband service capable of delivering at least 30Mbps download speeds were available to more than 98% of households* [and] *Slovakia registered the highest growth with at least 30Mbps coverage expanding by 14.6 percentage points in the twelve-month period to the end of June 2023*" ([401])

(c) More generally, the report states that '*[b]y mid-2023, 93.3% of EU households had access to at least one fixed broadband service that provided actual download speeds of at least 30Mbps, a 2.5 percentage increase since mid-2022*'. ([402])

(337) While the availability of fast internet and fibre has not reached 100%, faster terrestrial internet connections are deployed throughout the EU. The EU Digital Decade policy programme has concrete targets and objectives for 2030, guiding Europe's digital transformation. ([403]) Among these is the aim to make fixed internet connections with a speed of at least 1 Gbps available to everyone. The Notifying Party also submits that any uncovered internet connection could be

([398]) Form CO, para. 157.

([399]) DESI - Compare countries progress, available at: https://digital-decade-desi.digital-strategy.ec.europa.eu/datasets/desi/charts/compare-countries-progress?indicator=desi_fttp&breakdown=total_pophh&unit=pc_hh_all&country=EU,SK,CZ,RO,HU,IE,BG, visited on 6 June 2025.

([400]) Netflix, one of the largest platforms for video content, recommends an Internet speed of 3 Mbps for High-Definition (720p resolution) video streaming, and an Internet speed of 15 Mbps for Ultra-High-Definition (4K resolution) video streaming. See https://help.netflix.com/en/node/306, visited on 6 June 2025.

([401]) See, Digital Decade 2024: Broadband Coverage in Europe 2023 | Shaping Europe's digital future, Broadband Coverage in Europe 2023 Final report, page 56, available at: https://ec.europa.eu/newsroom/dae/redirection/document/106735, visited on 6 June 2025.

([402]) See, Digital Decade 2024: Broadband Coverage in Europe 2023 (Fn. 401), page 56.

([403]) See https://commission.europa.eu/strategy-and-policy/priorities-2019-2024/europe-fit-digital-age/europes-digital-decade-digital-targets-2030_en, visited on 6 June 2025.

achieved through LEO satellite connectivity, ([404]) though the Commission has not tested this point in this (Phase I) market investigation.

(338) The Commission takes into account the argument of the Notifying Party that the Parties' customers are not the individual subscribers who may have access to fewer options in terms of Internet connectivity, but the broadcasters and platform operators, for which a single price is negotiated for the entire satellite reach. ([405])

(339) Therefore, not only is a fixed internet connection with a sufficient speed to use OTT services available to the vast majority of households in the EU already, but, in line with the trends of previous years, this number will continue to increase over the next few years. As the Commission also has to take future market developments into account (see paragraph (210)), it finds that IP-based terrestrial distribution are already a significant competitive constraint for one-way satellite capacity (for media purposes) and will become an even greater constraint in the foreseeable future.

6.4.1.2.6. There is sufficient spare capacity for one-way transmissions in the market

(340) The market for the supply of one-way satellite capacity (for media purposes) is characterized by spare capacity, including amongst the Parties' competitors.

(341) The majority of market respondents having expressed a view indicated that there is spare capacity amongst the competitors of SES and Intelsat to cover customers' demand for the supply of one-way satellite capacity (for media purposes). ([406])

(342) Further, several respondents indicated that, due to the decrease in demand for one-way satellite capacity (discussed in more detail in Section 6.4.1.2.7), could lead to an additional increase of capacity available for two-way communication in the future. One respondent explained that '*in our experience, due to the development of terrestrial networks (fibre and cellular networks) the demand for one-way satellite is decreasing rapidly*'. Another customer indicated that '*the satellite capacity for one way video is decreasing because migration to other IP based technologies occurs (OTT, IPTV, SRT etc) and also the video processing is changing (migration to MPEG-4, HVEC etc), so more and more capacity will be available in the future*'. ([407])

(343) Therefore, the Parties do not have any pivotal capacity to serve demand that cannot be served by competitors and would always face competition from rivals who have spare capacity to compete for the Parties' customers.

6.4.1.2.7. The market size for one-way satellite capacity (for media purposes) is declining

(344) The Parties take into account that '*the media segment has been in decline for some time*' in their deal rationale: to increase the quality for the media solutions offered by the merged entity to its customers as it will generate a network with an expanded geographical footprint across all subsegments. ([408])

([404]) Notifying Party's response of 23 May 2025 to Commission's RFI 11, para. 6.9.
([405]) Notifying Party's response of 23 May 2025 to Commission's RFI 11, para. 6.10.
([406]) Replies to Q1 (Media), question D.A.B.5.
([407]) Replies to Q1 (Media), question D.A.B.5.1.
([408]) Form CO, para. 27.

(345) In the market investigation, the majority of respondents having expressed a view submitted that the market for one-way satellite capacity (for media purposes) is a declining market. ([409])

(346) Several respondents submitted that this decline is particularly observed in the EEA. One customer indicated that '*the supply of one-way satellite capacity for media purposes is widely considered to be a declining market, particularly in mature regions such as the European Economic Area (EEA). This decline is driven by structural shifts in media consumption, technological substitution, and industry consolidation. There is a constant shift to IP based delivery methods with constant decline of the DTH Subscribers especially in the mature markets like the EEA*'. Similarly, another respondent submitted that '*the supply of one-way satellite capacity for media purposes is generally a declining market, especially in the CEE region, due to the growing shift towards IPTV, streaming services, and fibre-based distribution. However, satellite broadcasting still plays a role in reaching remote areas and supporting specific use cases such us live events*'. ([410])

(347) This decline in market size is also supported by third-party reports. According to the Novaspace 2024 report, revenue of satellite operators from global video services (including satellite distribution and contribution) fell by over USD 20 billion in the past five years to USD 84 billion in 2023. ([411]) The same report anticipates another USD 20 billion decrease in global video revenues, from USD 84 billion in 2023 down to USD 63.4 billion by 2033 (CAGR of -2.8%). ([412])

(348) In addition, this is also supported by the Parties' internal documents. In a competitive analysis dated March 2023, […]. ([413]) […]. ([414])

6.4.1.2.8. Most market respondents submitted that the Transaction will have a neutral impact

(349) The majority of respondents having expressed a view indicated that they expect the Transaction to have a neutral impact on the markets or the companies. ([415]) These market participants do not expect a positive or negative impact of the Transaction on either the relevant overall markets or their company. There have even been some very few market participants that expect a positive impact.

(350) There have also been a few market participants that expect a negative impact. Certain broadcasters expected that the merged entity could reduce the satellite capacity available for media broadcast, which would reduce their negotiating position as customers (broadcasters) of the merged entity. The Commission considers that broadcasters active in the media segment would have plenty of options to switch to any of the Parties' actual and potential competitors (as confirmed by the market investigation, see Section 6.4.1.2.2) in the event of a price rise or reduction in supply of capacity by the Parties. ([416])

([409]) Replies to Q1 (Media), question D.A.D.1.
([410]) Replies to Q1 (Media), question D.A.D.1.1.
([411]) Novaspace 2024 report, page 65.
([412]) Novaspace 2024 report, page 43.
([413]) Notifying Party's response of 27 May 2025 to Commission's RFI 12, Annex 7, […].
([414]) Notifying Party's response of 27 May 2025 to Commission's RFI 12, Annex 5, […].
([415]) Replies to Q1 (Media), questions E1, E2.
([416]) There are 24 satellite operators other than the Parties able to supply GEO wide-beam capacity in the EEA; 9 of these can supply such capacity to all 30 EEA countries. To the extent that an SSP is interested in purchasing capacity from a particular orbital slot, its options do not change pre- and

(351) In addition, several competitors complained about the Transaction as they feared increased competition from the merged entity. ([417]) In particular, one competitor voiced concerns that the merged entity would need less capacity from competitors and be in a stronger bargaining position for the capacity still needed (i.e., SNO purchasing satellite capacity from another SNO). The Commission considers that satellite capacity being purchased from other satellite operators is limited ([418]) and fills a specific purpose: where one Party (e.g., SES) has contracted with a satellite operator, this is because SES could not serve that particular requirement, and it would still need to meet that requirement through a third-party satellite operator (and therefore, with the exception of purchases from Intelsat, could not self-supply to fill this capacity gap post-Transaction). ([419]) In addition, given the amounts of spare capacity (Section 6.4.1.2.6) and active competitors available both globally and in the EEA (Section 6.4.1.2.2), rival satellite operators would have a multitude of options to choose from in the event that there is insufficient or no satellite capacity available from the merged entity.

(352) Finally, one competitor complained about the possible reduction of number of satellites, which could terminate the use of certain orbital locations for media purposes, which would in turn disadvantage competitors using the same orbital location. ([420]) As concerns the SES and Eutelsat overlap in the same orbital location 28.2°/28.5° East (paragraph (40)), […]. ([421]) As concerns the Intelsat and Space Norway's overlap in the same orbital location at 1° West (paragraph (40)), the launch of Space Norway's Thor 8 satellite expected in 2027 shows Intelsat's long-term commitment to 1° West. ([422]) In any case, repointing antennas to a new position is commercially unattractive for DTH providers in light of the legacy nature of DTH services and the risk of subscriber churn (which can be substantial and estimated to be at least 10% or potentially more) when DTH providers seek to repoint antennas, and subscribers prefer to switch to new DTH or alternative services (IPTV or cord-cutting for example). ([423])

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post-Transaction. There is no single orbital slot in which SES and Intelsat overlap, where their combination would result in the reduction of a (potential) supplier at that particular orbital position. Form CO, paras 909 et seqq. Notifying Party's response of 23 May 2025 to Commission's RFI 11, question 7, paras 7.11, 7.13.

([417]) The negative feedback by competitors could be interpreted as indicative of positive effects of the transaction on competition when not specific and/or substantiated.

([418]) The Commission has also assessed the Parties' purchases from other SNOs in Notifying Party's response of 27 May 2025 to Commission's RFI 12, question 6.

([419]) A potential reduction of horizontal purchases due to increased captive capacity post-Transaction would benefit customers by enabling the parties to eliminate double marginalization and offer more competitive prices to customers.

([420]) For media customers, difficulties in switching primarily stem from the need to realign or replace consumer satellite dishes, which can be logistically challenging and costly, but which does not happen where two satellite operators already supply capacity from the same orbital slot. Notifying Party's response of 23 May 2025 to Commission's RFI 11, question 9, para. 9.3.

([421]) Notifying Party's response of 23 May 2025 to Commission's RFI 11, question 9, para. 9.12.

([422]) Notifying Party's response of 23 May 2025 to Commission's RFI 11, question 9, para. 9.18.

([423]) According to the Notifying Party, the posited discontinuation would require (i) vacating orbital locations currently used to distribute Media content, (ii) demanding video content producers to distribute their content from a different orbital location, and (iii) require viewers to re-point their antennas or dishes to that orbital location, even in light of potential pass-on effects with regards to all these conditions. Notifying Party's response of 23 May 2025 to Commission's RFI 11, question 9, para. 9.27.

6.4.1.3. Conclusion

(353) In light of the foregoing, the Commission concludes that the Transaction would not raise serious doubts as to its compatibility with the internal market as a result of horizontal effects in the market for the supply of one-way satellite capacity (for media purposes) and any potential segments thereof at a worldwide, EEA-wide or regional (Western or Eastern Europe) level.

6.4.2. Market for the supply of two-way satellite capacity

(354) Based on the market shares provided in Section 6.3, the following potential segments in the market for the supply of two-way satellite capacity are horizontally affected. ([424])

(355) **Table 51 – Supply of two-way satellite capacity – Horizontally affected segments**

Market	Geography	SES	Intelsat	Combined
All satellite types, C-band	Worldwide	[10-20]%	[30-40]%	[40-50]%
HTS GEO, Ku-band	Worldwide	[10-20]%	[20-30]%	[30-40]%
	EEA	[0-5]%	[20-30]%	[20-30]%
Wide-beam GEO, all frequency bands	Worldwide	[10-20]%	[20-30]%	[30-40]%
	EEA	[20-30]%	[10-20]%	[40-50]%
Wide-beam GEO, Ka-band	Worldwide	[40-50]%	[10-20]%	[60-70]%
Wide-beam GEO Ku-band	Worldwide	[10-20]%	[10-20]%	[30-40]%
	EEA	[20-30]%	[10-20]%	[30-40]%
Wide-beam GEO C-band	Worldwide	[10-20]%	[20-30]%	[40-50]%

6.4.2.1. Notifying Party's views

(356) The Notifying Party considers that the Transaction will not give rise to competition concerns in the market for the supply of two-way satellite capacity, at the global or EEA-wide level, for the following reasons.

(357) First, the Notifying Party submits that the combined market shares of the Parties in the supply of two-way satellite capacity are generally modest. ([425])

(358) Second, the Notifying Party states that satellite capacity is fungible across different satellite types. As such, the Parties' supply of satellite capacity via wide-beam satellites faces significant competitive constraints from satellite capacity via HTS satellites. HTS satellites are technologically more efficient and less costly. Because of these advantages over wide-beam satellites, there is a long-term shift away from wide-beam satellites towards HTS satellites. ([426])

(359) Third, the Notifying Party notes that satellite capacity is also fungible across frequency bands and, therefore, there is a high degree of demand-side substitutability across the different frequency bands. Most customers can choose to procure satellite capacity using either of the C-, Ka- or Ku- bands. Any obstacles to customers switching between frequency bands due to demand-side factors such as hardware, are currently small and getting smaller. Many customers already have the hardware equipment needed to utilize different frequency bands,

([424]) The Transaction also results in horizontal overlaps in relation to a number of other plausible market segments. However, none of these overlaps give rise to affected markets within the meaning of recital 25(g) Annex I to the Implementing Regulation, as they meet the conditions for review under point 5 of the Notice on Simplified Procedure. Therefore, these overlaps will not be assessed in this Decision.

([425]) Form CO, paras 1079, 1087 and Annex 50.

([426]) Form CO, paras 829-34.

but, even for those who do not, the cost of acquiring new hardware is decreasing. In addition, the satellite communications industry is in the process of shifting towards a '*frequency- and hardware-agnostic environment'*, increasing satellite substitutability even further. Customers are increasingly looking towards multi-band solutions, underscoring the substitutability of satellite capacity in the different frequency bands. ([427])

(360) Fourth, the Notifying Party submits that there are many other suppliers of two-way satellite capacity globally and in Europe, including: Eutelsat, ABS Asia Broadcast Satellite, ArabSat/Hellas Sat, Turksat, RSCC and Hispasat, amongst others. ([428])

(361) Fifth, the Notifying Party states that there exists spare two-way satellite capacity among the Parties and their competitors. ([429])

(362) Sixth, the Notifying Party notes that most customers of satellite capacity, and in particular SSP customers, are sophisticated businesses able to exert a significant degree of countervailing power. ([430])

6.4.2.2. Commission's assessment

(363) For the reasons set out below and based on the results of the market investigation, the Commission considers that the Transaction would not significantly impede effective competition as a result of horizontal non-coordinated effects on the market for the supply of two-way satellite capacity, or any of its potential segments, at a global or EEA-wide level.

(364) First, the Parties' market position will remain moderate in most segments. In particular, the Parties' combined shares range between [20-30]% and [40-50]% in the EEA and between [30-40]% and [40-50]% at the global level, except in the narrow segment for two-way satellite capacity supplied through traditional wide-beam satellites via the Ka-band at the global level, where the Parties combined share is [60-70]%. It is noted that Intelsat does not supply traditional wide-beam capacity using the Ka-band in the EEA, and therefore no overlap between the Parties' activities arises in this narrow segment in the EEA.

(365) Second, post-Transaction, the Parties will continue to face competition from a number of established GEO and new LEO players, both at the global and EEA-wide level.

(366) The results of the market investigation indicated that several competitors will remain post-Transaction. In particular, the majority of respondents having expressed a view, submitted that there are sufficient alternative suppliers to the Parties in the market for the supply of two-way satellite capacity, including in any potential segments thereof, globally and in the EEA. ([431]) Respondents consider that such suppliers include Arabsat/Hellas Sat, Avanti Communications, Echostar, Eutelsat, Hispasat, SpaceCom, Starlink, Telesat, Turksat, Space Norway and Viasat/Inmarsat. ([432])

([427]) Form CO, 436-45.
([428]) Form CO, para. 836.
([429]) Form CO, paras 846-45.
([430]) Form CO, paras 634-35.
([431]) Replies to Q2 (Two-way capacity), question D.B.1.
([432]) Replies to Q2 (Two-way capacity), questions D.B.2 - D.B.5.

(367) Further, the market investigation also confirmed that LEOs compete or at least pose a competitive constraint in the market for the supply of two-way satellite capacity. In this respect, the vast majority of respondents having expressed a view submitted that LEO operators (e.g., Starlink or Eutelsat's OneWeb) are currently a credible alternative in the market for the supply of two-way satellite capacity, including in any potential segments thereof. ([433])

(368) In addition, the vast majority of respondents having expressed a view expect new entry or expansion in the market for the supply of two-way satellite capacity in the next 5 years, primarily by LEO operators (such as Amazon's Project Kuiper system). ([434]) For instance, a respondent noted that '*over the next five years, new competitors are expected to enter or expand in the market for the supply of two-way satellite capacity, intensifying competition across various segments. Notably, Amazon's Project Kuiper is positioned to become a significant player, with plans to deploy a large LEO constellation to provide services globally. Additionally, several Chinese companies are advancing their satellite initiatives, with the SpaceSail project standing out […]. Other notable projects include Telesat's Lightspeed LEO constellation and OneWeb's ongoing expansion efforts to enhance its global LEO network*'. Another respondent stated that '*we expect to see several more players enter the market. These include, but are not limited to: Amazon Kuiper; Telesat LightSpeed; Meridian Space […]. Also, China has announced intent to enter at LEO*'. ([435])

(369) Therefore, post-Transaction the Parties will continue to be constrained by a sufficient number of alternative GEO, as well as LEO, suppliers of two-way satellite capacity.

(370) Third, the market investigation confirmed that there is spare capacity available in the market for the supply of two-way satellite capacity market, which may be further increased as a result of the planned entry or expansion by LEO constellations.

(371) The majority of respondents having expressed a view considered that there exists sufficient spare capacity amongst the rivals of SES and Intelsat to cover customers' demand for the supply of two-way satellite capacity, including in any potential segments thereof. ([436]) In this respect, one respondent stated that '*[t]he launch of new High-Throughput Satellite (HTS) systems and Low Earth Orbit (LEO) constellations has significantly increased the supply of capacity, outpacing demand growth*'. Another respondent noted that '*taking into account the constellation of Starlink, and also OneWeb, there is a significant amount of capacity in orbit, even without considering the arrival of Kuiper*'. A further responded submitted that '*[t]he supply is significantly higher than the demand*' ([437]) These responses imply that spare capacity could be used to meet demand if

([433]) Replies to Q2 (Two-way capacity), question D.B.13.
([434]) Replies to Q2 (Two-way capacity), question D.B.15.
([435]) Replies to Q2 (Two-way capacity), question D.B.15.1.
([436]) Replies to Q2 (Two-way capacity), question D.B.6. In this respect, one respondent stated that '*[t]he launch of new High-Throughput Satellite (HTS) systems and Low Earth Orbit (LEO) constellations has significantly increased the supply of capacity, outpacing demand growth*'. Anther respondent noted that '*taking into account the constellation of Starlink, and also OneWeb, there is a significant amount of capacity in orbit, even without considering the arrival of Kuiper*' (Replies to Q2 (Two-way capacity), question D.B.6.1).
([437]) Replies to Q2 (Two-way capacity), question D.B.6.1.

the merged entity were to increase prices for the supply of two-way capacity, including in its potential segments.

(372) Fourth, the market investigation indicated that switching between suppliers of two-way satellite capacity may not be easy and quick, but is a realistic option for customers.

(373) In particular, the majority of respondents having expressed a view considered that, although switching from one supplier of two-way satellite capacity to another is technically complex and needs some time, it still remains a real option. ([438])

(374) In this respect, respondents explained that the feasibility, cost, and time required for switching '*depends on several factors, such as the number of sites deployed and the ground segment technology in use'.* Respondents also acknowledged that '*[i]t requires time and extra capex to move the service to another satellite*' given that '*the equipments and terminals need to be changed, as well as antennas […] need to be repositioned*' – for instance '*if a customer has a large number of remote sites connected, migrating to a new supplier could be costly and time-consuming due to the need for site visits to reconfigure or replace equipment at each location'*. ([439])

(375) However, at the same time, respondents noted that, although switching from one supplier to another can be costly and complex (with varying degrees of difficulty), *'it is certainly feasible and has been done on many occasions in the past*'. Respondents also added that switching would make sense *'for a disruptive technology/performances and a TCO (ie; terminal cost and monthly subscription fees) providing economies in the mid-long term*', when customers '*identify new solutions offering better pricing or performance*', or for reasons related to '*reliability*' and '*changes in pricing and general terms and conditions*'. ([440])

(376) Fifth, the results of the market investigation indicate that customers hold a degree of bargaining power vis-a-vis suppliers of two-way satellite capacity.

(377) In particular, the majority of respondents having expressed a view considered that customers have medium to strong negotiation power when purchasing of two-way satellite capacity. ([441]) For example, a respondent submitted that '*customers can obtain favorable terms when purchasing two-way satellite capacities. Typically, customers initiate competitive purchasing processes, inviting multiple bidders, which enhances their negotiating and bargaining power. Additionally, satellite capacity prices have been continuously decreasing in recent years due to an oversupply relative to demand and the introduction of new satellite systems that enable lower pricing*'. Another respondent stated that '*[b]ecause of emerging competition, customers' ability to obtain favourable terms for two-way satellite capacity is between medium and strong*'. In the same vein, a further respondent noted that '*[d]ue to the entry of LEO megaconstellations (e.g., Starlink), currently overall two-way satellite capacity supply exceeds demand, hence exerting pressure on capacity price and giving more bargaining power to the customers. In GEO in particular, we observe a shift of the demand from GEO to NGSO (cannibalization) leading to pressure on capacity prices*'. ([442])

([438]) Replies to Q2 (Two-way capacity), question D.B.10.
([439]) Replies to Q2 (Two-way capacity), question D.B.10.1.
([440]) Replies to Q2 (Two-way capacity), question D.B.10.1 and question D.B.11.1.
([441]) Replies to Q2 (Two-way capacity), question D.B.7.
([442]) Replies to Q2 (Two-way capacity), question D.B.7.1.

(378) Furthermore, the majority of respondents having expressed a view considered that when negotiating the extension of an existing agreement for the supply of two-way satellite capacity, customers are not only able to extend the initially agreed terms and conditions, but are also in a position to re-negotiate each of the terms and conditions of such an agreement with their supplier. ([443])

(379) Finally, the market investigation confirmed that customers multi-source their requirements for two-way satellite capacity. ([444]) Customers explained that they multi-source to achieve global coverage, optimize performance and meet operational needs. They also explained that '*maintaining relationships with several suppliers improves bargaining power, enabling customers to negotiate more favorable terms when purchasing satellite capacity*', as well as that '*[f]rom a negotiation standpoint, we can get better pricing by competing business with multiple operators with similar coverages and capacity*'. ([445]) These responses imply that working with more than one provider can provide customers with additional leverage when negotiating contracts for the supply of two-way satellite capacity.

(380) Sixth, based on the feedback received from market participants during the market investigation and evidence included in third-party industry reports, but also as previously recognised by the Commission in *Viasat/Inmarsat* ([446]), satellite operators appear to be increasingly shifting away from traditional wide-beam satellites towards HTS.

(381) HTS satellites cost less and have a higher volume capacity and a lower latency compared to traditional wide-beam satellites. These advantages may make them more suitable and attractive to certain customers, in particular in data intensive industries.

(382) Although the results of the market investigation were inconclusive on the question whether wide-beam and HTS two-way capacity constitute a single or separate markets, more respondents having expressed a view submitted that these are substitutable from a demand-side perspective. Notably, even some respondents who replied that wide-beam and HTS should not be viewed as substitutable, acknowledged that the market is transitioning towards HTS.

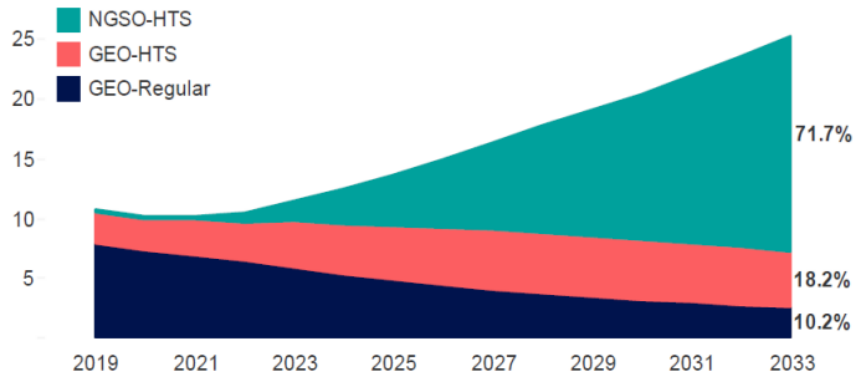
(383) In this respect – as mentioned above at paragraph 116 – a respondent to the market investigation submitted that '*it is 'easier to switch from wide beam to HTS than from HTS to wide beam*'. Another respondent noted that '*substituting HTS for wide-beam capacity for two-way services is reasonable and potentially favorable as well. Conversely, substituting wide-beam services for HTS services is unlikely to meet the capacity requirements for a given coverage area*'. The same respondent also added that '*[w]ide-beam services are predominately used for broadcast services. For two-way services, most MNOs have adopted HTS servicesfor their customer service requirements, but it is not uncommon for SNOs to have single satellites that provide both wide-beam and HTS coverages*'. A further respondent submitted that there exists '*[o]ne-sided interchangeability – transition from wide beam to HTS*'. Another respondent noted that '*[m]arket is migrating from wide-beam to HTS*'. ([447])

([443]) Replies to Q2 (Two-way capacity), question D.B.9.
([444]) Replies to Q2 (Two-way capacity), question D.B.12.
([445]) Replies to Q2 (Two-way capacity), question D.B.12.1.
([446]) Commission decision of 25 May 2023 in case M.10807 - *Viasat/Inmarsat*, para. 37.
[447]) Replies to Q2 (Two-way capacity), questions C.A.7.1 and C.A.8.1.

(384) These responses imply that even if the market transition from wide-beam to HTS satellites is still in progress, the increased demand for and use of two-way HTS capacity can pose a competitive constraint on SNOs operating traditional wide-beam GEO satellites.

(385) Furthermore, industry forecasts estimate that NGSO HTS satellite capacity will account for the vast majority of market value growth between 2019 and 2033. This is shown in Figure 3 below, based on data from the Novaspace industry report.

Figure 3: Depiction of video distribution via different technologies



Source: Novaspace, 'Satellite Connectivity and Video Market', September 2024, page 61

(386) Novaspace estimates that HTS revenues will grow an additional USD 17.3 billion between 2023 and 2033, of which only 4% of the growth will stem from GEO, and 96% from NGSO. On the other hand, GEO wide-beam capacity revenue is expected to decrease by USD 3.3 billion over the same period, falling to USD 2.6 billion. NGSO HTS is expected to represent 72% of overall market value by 2033. ([448])

(387) In light of the above, the Commission considers that due to the ongoing market transition from wide-beam to HTS systems, and the expectation that this movement will continue in the future, the merged entity will be competitively constrained by HTS alternatives in the narrowly defined markets comprising solely wide-beam two-way satellite capacity.

(388) Seventh, the vast majority of respondents having expressed a view considered that the Transaction will have a neutral impact on their company and on competition in the market for the supply of two-way satellite capacity, including in any potential segments thereof. ([449])

6.4.2.3. Conclusion

(389) In light of the foregoing, the Commission concludes that the Transaction would not raise serious doubts as to its compatibility with the internal market as a result of horizontal effects in the market for the supply of two-way satellite capacity and any potential segments thereof.

([448]) Form CO, para. 426.
([449]) Replies to Q2 (Two-way capacity), questions E.1 and E.2.

6.5. Horizontal assessment: Potential overlap in the market for the supply of satellite services in the commercial aviation industry

(390) As mentioned above at paragraph (148), Intelsat is active in the supply of satellite services in the commercial aviation industry. SES is not currently active on this market. However, SES may in the future supply satellite services directly to commercial aviation customers via Airbus' HBCplus programme.

(391) The HBCplus programme gives airlines the flexibility to choose their preferred service provider for IFC within an Airbus catalogue. SES, among others (such as Viasat/Inmarsat) is one of the service providers that may be selected. Under the HBCplus programme, the customer terminal is installed by Airbus for use with the selected SSP. SES and Airbus entered into a Letter of Agreement with respect of the HBCplus programme in April 2022, and a definitive agreement with respect of same was finalized in early 2023. SES is currently working on a number of opportunities in relation to the HBCplus programme, some of which are indirect (in which SES participates as a supplier of satellite capacity), and some of which are direct (in which SES will be providing IFC directly). […]. ([450])

(392) In view of the above, a potential overlap between the Parties' activities arises in the market for the supply of satellite services in the commercial aviation industry, in which Intelsat has an established presence and SES is a potential entrant.

6.5.1. Notifying Party's views

(393) The Notifying Party considers that the Transaction will not give rise to competition concerns in the market for the supply of satellite services in the commercial aviation industry, or any of its potential segments, for the following reasons.

(394) First, Intelsat's market share in the market for the supply of satellite services in the commercial aviation industry is moderate (up to [20-30]% at the global level and up to [10-20]% in the EEA). ([451])

(395) Second, the market for the supply of satellite services in the commercial aviation industry is highly competitive and contains multiple alternative competitors that would compete with the merged entity post-Transaction. In particular, a number of GEO satellite operators, as well as new entrant LEO satellite operators would continue to rigorously compete with the merged entity to equip and serve commercial aircrafts. Competing GEO providers of satellite services to the commercial aviation industry include Viasat/Inmarsat, Panasonic Avionics, Anuvu, Thales, and others. LEO competitors include Echostar Hughes and Starlink, which is rapidly winning meaningful market share. ([452])

6.5.2. Commission's assessment

(396) The Commission considers that, for the reasons set out below, the Transaction does not raise serious doubts as to its compatibility with the internal market as a result of potential horizontal effects in the market for the supply of satellite services in the commercial aviation industry or any of its potential segments, at worldwide or EEA-wide level.

([450]) Form CO, paras 1113-16.
([451]) Form CO, para. 1206.
([452]) Form CO, paras 1117-21.

(397) First, Intelsat has a modest share in the market for the supply of satellite services in the commercial aviation industry (below 30% at the global level, and below 20% in the EEA).

(398) Second, a wide range of competitors will remain post-Transaction.

(399) In the market investigation, the vast majority of respondents having expressed a view consider that there are sufficient alternative suppliers to Intelsat in the market for the supply of satellite services in the aviation industry, and any potential segments thereof, at the global and EEA-wide level. ([453]) Such alternative suppliers would include Anuvu, Hughes, Panasonic Avionics, Starlink, Thales and Viasat/Inmarsat. ([454])

(400) In addition, the vast majority of respondents having expressed a view consider that satellite services provided by LEO suppliers are currently a credible alternative in the market for the supply of satellite services for the aviation industry, and any potential segments thereof. ([455]) For instance, one respondent stated that '*LEO satellite suppliers like Starlink or Eutelsat's OneWeb already have customers in the aviation space*'. Another respondent noted that *'[…] satellite services provided by LEO suppliers are becoming credible alternatives in the market. While their market share is still emerging, their technological advantages such as lower latency, higher throughput, and global coverage position them as increasingly competitive options. Although LEO networks are still being fully deployed, these providers are already in active negotiations and have won contracts in business aviation. LEO suppliers are not yet predominant in global aviation connectivity, which remains led by traditional GEO but more and more they are gaining a market position and being considered for future aircraft connectivity programs'*. ([456])

(401) Third, the majority of customers having expressed a view submitted that they would not consider switching to SES's upcoming offering through the Airbus HBCplus programme, in the next 3-5 years. ([457]) This indicates that SES's upcoming offering is not expected to become a particularly credible or disruptive service that would exert a significant constraining influence on the market for the supply of satellite services in the commercial aviation industry, in a short to medium timeframe.

(402) Fourth, the vast majority of respondents having expressed a view considered that the Transaction will have a neutral or positive impact on their company and on competition on the market for the supply of satellite services in the aviation industry, and any potential segments thereof. ([458])

([453]) Replies to Q3 (Aviation), question D.1.
([454]) Replies to Q3 (Aviation), questions D.2 and D.3.
([455]) Replies to Q3 (Aviation), question D.9.
([456]) Replies to Q3 (Aviation), question D.9.1.
([457]) Replies to Q3 (Aviation), question D.11.
([458]) Replies to Q3 (Aviation), questions E.1 and E.2. For instance, one respondent stated that '*The HBCplus system offered by Airbus with the current Thinkom 2517 antenna is currently a good system for commercial aviation. However, it does present some hurdles for the airlines, as many different companies provide the HBCplus service (hardware provision, aftermarket technical service, satellite operator), particularly from a contractual perspective. In later operations, this poses the risk of so-called 'fingerpointing' during the clarification of technical problems, as it is not always entirely clear which company is responsible in each case. Another point is the rapid development on the IFC market and the fact that airlines select systems and aircraft for medium/long-term use with a corresponding project lead time. As the delivery time for new aircraft*

6.5.3. Conclusion

(403) In light of the foregoing, the Commission concludes that the Transaction would not raise serious doubts as to its compatibility with the internal market as a result of potential horizontal effects in the market for the supply of satellite services in the commercial aviation industry and any potential segments thereof.

6.6. Non-horizontal assessment

(404) Based on the market shares provided in Section 6.3, the Notifying Party has identified four vertical relationships that give rise to affected markets: ([459]) ([460])

(a) the supply of two-way satellite capacity (upstream) and the supply of satellite services in the commercial aviation industry (downstream);

(b) the supply of two-way satellite capacity (upstream) and the supply of satellite services in the maritime industry (downstream);

(c) the supply of two-way satellite capacity (upstream) and the supply of satellite services in the fixed data industry (downstream); and

(d) the supply of two-way satellite capacity (upstream) and the supply of satellite services in the government sector (downstream).

(405) Table 52 below provides an overview of the vertical pairs giving rise to affected markets.

Table 52 – Vertically affected segments

Market	Segments	Geography	SES	Intelsat	Combined
UPSTREAM					
Supply of two-way satellite capacity	All satellite types, C-band	Worldwide	[10-20]%	[30-40]%	[40-50]%
		EEA	[0-5]%	[30-40]%	[30-40]%
	HTS, C-band	Worldwide	[0-5]%	[40-50]%	[40-50]%
		EEA	[0-5]%	[30-40]%	[30-40]%
	HTS GEO, Ku-band	Worldwide	[10-20]%	[20-30]%	[30-40]%
	HTS GEO, C-band	Worldwide	[0-5]%	[40-50]%	[40-50]%
		EEA	[0-5]%	[30-40]%	[30-40]%
	Wide-beam GEO, all frequency bands	Worldwide	[10-20]%	[20-30]%	[30-40]%
		EEA	[20-30]%	[10-20]%	[40-50]%
	Wide-beam GEO, Ka-band	Worldwide	[40-50]%	[10-20]%	[60-70]%
		EEA	[70-80]%	[0-5]%	[70-80]%

can be regarded as rather long, this puts airlines in the situation of having to decide 'today' on a system that may no longer be 'state of the art' when the aircraft is delivered. This is exactly the case with the Thinkom 2517 antenna, as all major connectivity providers are currently working on more advanced antenna technologies such as ESA technology'. Another respondent noted that '*The Airbus HBC program offers the advantage of being able to switch providers more easily, however the complexity of working through Airbus for all necessary equipment and software upgrades may not outweigh that benefit*' (Replies to Q3 (Aviation), question D.11.1).

([459]) The Notifying Party has not requested the application of point 8 of the Notice on Simplified Procedure in relation to these markets.

([460]) The Transaction also results in vertical relationships in relation to a number of other plausible market segments. However, none of these relationships give rise to affected markets within the meaning of recital 25(g) Annex I to the Implementing Regulation, as they meet the conditions for review under point 5 of the Notice on Simplified Procedure. Therefore, these links will not be assessed in this Decision.

Market	Segments	Geography	SES	Intelsat	Combined
UPSTREAM					
	Wide-beam GEO Ku-band	Worldwide	[10-20]%	[10-20]%	[30-40]%
		EEA	[20-30]%	[10-20]%	[30-40]%
	Wide-beam GEO C-band	Worldwide	[10-20]%	[20-30]%	[40-50]%
		EEA	[0-5]%	[30-40]%	[30-40]%
DOWNSTREAM					
Supply of satellite services in the aviation industry	All technologies (satellite, ATG, and hybrid technology)	Worldwide	[0-5]%	[20-30]%	[20-30]%
		EEA	[0-5]%	[10-20]%	[10-20]%
	Satellite technology only (excl. ATG and hybrid technology)	Worldwide	[0-5]%	[10-20]% to [20-30]%	[10-20]% to [20-30]%
		EEA	[0-5]%	[10-20]%	[10-20]%
Supply of satellite services in the maritime industry		Worldwide	[0-5]%	[0-5]%	[0-5]%
		EEA	[0-5]%	[0-5]%	[0-5]%
Supply of satellite services in the fixed data industry	Fixed data (overall)	Worldwide	[0-5]%	[0-5]%	[0-5]%
		EEA	[0-5]%	[0-5]%	[0-5]%
		Western Europe	[0-5]% to [5-10]%	[0-5]% to [5-10]%	[0-5]% to [5-10]%
		Eastern Europe	[0-5]% to [5-10]%	[0-5]% to [5-10]%	[0-5]% to [5-10]%
		Central & Eastern Europe (‘**CEE**’)	[0-5]% to [5-10]%	[0-5]% to [5-10]%	[0-5]% to [5-10]%
		Nordic Europe	[0-5]% to [5-10]%	[0-5]% to [5-10]%	[0-5]% to [5-10]%
	Backhaul & Trunking	Worldwide	[0-5]%	[0-5]%	[5-10]%
		EEA	[0-5]%	[0-5]%	[0-5]%
		Western Europe	[0-5]% to [5-10]%	[0-5]% to [5-10]%	[0-5]% to [5-10]%
		Eastern Europe	[0-5]% to [5-10]%	[0-5]% to [5-10]%	[0-5]% to [5-10]%
		CEE	[0-5]% to [5-10]%	[0-5]% to [5-10]%	[0-5]% to [5-10]%
		Nordic Europe	[0-5]% to [5-10]%	[0-5]% to [5-10]%	[0-5]% to [5-10]%
	Broadband Access	Worldwide	[0-5]%	[0-5]%	[0-5]%
		EEA	[0-5]%	[0-5]%	[0-5]%
		Western Europe	[0-5]% to [5-10]%	[0-5]% to [5-10]%	[0-5]% to [5-10]%
		Eastern Europe	[0-5]% to [5-10]%	[0-5]% to [5-10]%	[0-5]% to [5-10]%
		CEE	[0-5]% to [5-10]%	[0-5]% to [5-10]%	[0-5]% to [5-10]%
		Nordic Europe	[0-5]% to [5-10]%	[0-5]% to [5-10]%	[0-5]% to [5-10]%
	Enterprise Data	Worldwide	[0-5]%	[0-5]%	[5-10]%
		EEA	[0-5]%	[0-5]%	[0-5]%
		Western Europe	[0-5]% to [5-10]%	[0-5]% to [5-10]%	[0-5]% to [5-10]%
		Eastern Europe	[0-5]% to [5-10]%	[0-5]% to [5-10]%	[0-5]% to [5-10]%
		CEE	[0-5]% to [5-10]%	[0-5]% to [5-10]%	[0-5]% to [5-10]%
		Nordic Europe	[0-5]% to [5-10]%	[0-5]% to [5-10]%	[0-5]% to [5-10]%
Supply of satellite services in the government sector		Worldwide	[5-10]%	[0-5]%	[10-20]%
		EEA	[5-10]%	[0-5]%	[10-20]%

(406) As is shown in Table 52 above, in each case vertically affected markets arise because the upstream combined market share of the Parties exceeds 30%. The individual or combined market share of SES and Intelsat does not exceed 30% in any of the relevant downstream markets.

(407) With respect to the risk of **customer foreclosure**, the Commission observes that with a presence of below 30% in the downstream markets for the supply of satellite services in each of the aviation, maritime, fixed data and government industries, the merged entity would not enjoy a significant degree of market power downstream and, therefore, would not have the ability to engage in customer foreclosure post-Transaction.

(408) This is further supported by the results of the market investigation, which confirmed that several competing SSPs will remain post-Transaction. In particular, the vast majority of respondents having expressed a view indicated that there are sufficient alternative suppliers to the Parties in the downstream markets for the supply of satellite services in the aviation, maritime, fixed data and government industries, and any potential segments thereof, at the global and EEA-wide level. In relation to the market for the supply of satellite service in the fixed data industry, the vast majority of respondents has equally confirmed that that sufficient alternative suppliers also exist at regional level. ([461]) In addition, the results of the market investigation confirmed that satellite services provided by LEO operators compete, or at least exert a competitive constraint, on the downstream markets. In this respect, the vast majority of respondents having expressed a view indicated that satellite services provided by LEO suppliers (e.g., Starlink or Eutelsat's OneWeb) are currently a credible alternative in the market for the supply of satellite services for the aviation, maritime, fixed data and government industries, and any potential segments thereof. ([462]) Furthermore, the majority of respondents having expressed a view consider that the Transaction will have a neutral or positive impact on their company and on competition in the markets for the supply of satellite services in the aviation, maritime, fixed data and government industries, and any potential segments thereof. ([463])

(409) Therefore, in the remainder of this Decision the Commission assesses potential vertical concerns of **input foreclosure**, namely whether the merged entity could remove, restrict or degrade the quality, or increase the price, of its two-way satellite capacity (input) to downstream suppliers of satellite services in the commercial aviation, maritime, fixed data and government industries.

6.6.1. Input foreclosure: Vertically affected market for the supply of two-way satellite capacity (upstream) and the supply of satellite services in the commercial aviation industry (downstream)

6.6.1.1. Notifying Party's views

(410) The Notifying Party submits that the Transaction will not result in any competition concerns arising from the vertical relationship between the upstream market for the supply of two-way satellite capacity, and the downstream market

([461]) Replies to Q3 (Aviation), Q4 (Maritime), Q5 (Government), and Q6 (Fixed data), question D.1.
([462]) Replies to Q3 (Aviation), question D.9; Replies to Q4 (Maritime), question D.9; Replies to Q5 (Government), question D.11; Replies to Q6 (Fixed data), question D.11.
([463]) Replies to Q3 (Aviation), Q4 (Maritime), Q5 (Government), and Q6 (Fixed data), questions E.1 and E.2.

for the supply of satellite services in the commercial aviation industry, for the following reasons.

(411) First, the Parties would have no ability to engage in input foreclosure. The merged entity would not have significant market power upstream, given there are many rival suppliers of two-way satellite capacity, and there are limited barriers to switching. ([464]) As satellite capacity is fungible across industry segments, in practice any SNO would be capable of supplying satellite capacity to SSPs for the provision of IFC in the commercial aviation industry and would, therefore, constrain the Parties post-Transaction. These include traditional SNOs such as Eutelsat, Telesat, Hispasat, APT Satellite / China SatCom, Space Norway and JSat-Sky Perfect, as well as Viasat/Inmarsat and Starlink. Due to this intense competition upstream, the Parties face downward pricing pressure from their SSP customers. ([465])

(412) Second, even if there were an ability to foreclose inputs, any change in the incentive to engage in input foreclosure would be minimal because there is no increment arising from the Transaction in relation to the supply of satellite services in the commercial aviation industry, given that SES is not currently active in this downstream market. In addition, Intelsat's downstream share of supply is modest, and it faces strong competition from a number of competitors, including Viasat/Inmarsat, Panasonic Avionics, Thales and Anuvu, as well as from LEO operators, such as Starlink and Eutelsat's OneWeb. ([466])

(413) Even if the Parties were to attempt to worsen the terms of supply of satellite capacity to SSPs for commercial aviation end uses, they would face two sources of constraint: (i) First, the Parties' SSP customers could acquire satellite capacity from the Parties' competitors. There is no shortage of satellite capacity to supply SSPs active in the aviation industry, and there is sufficient spare capacity in the industry; and (ii) Second, an attempted worsening of terms would make it more likely that SSPs would lose business to vertically integrated competitors, such as Viasat/Inmarsat and Starlink, which would in turn reduce the Parties' revenues from supplying satellite capacity to SSPs. ([467])

(414) Given these constraints, if the Parties were to attempt an input foreclosure strategy, they would bear the full cost of such a strategy and would not reap the benefits as their SSP customers would switch to alternative satellite capacity suppliers and/or those SSP' commercial airline customers would switch to using vertically integrated suppliers, such as Viasat/Inmarsat or Starlink. ([468])

(415) Third, as the Parties would have no ability and no incentive to engage in input foreclosure, there could be no adverse effects on competition. ([469])

6.6.1.2. Commission's assessment

(416) For the reasons set out below and based on the results of the market investigation, the Commission considers that the merged entity would not have the ability to foreclose the access of downstream competitors in the aviation industry to its two-way satellite capacity. Therefore, given that the conditions under the Non-

([464]) Form CO, paras 1154, 1205, 1254, 1306, 1355, 1391, 1436, 1516.
([465]) Form CO, paras 1090-93.
([466]) Form CO, paras 1206-08, 1255, 1307, 1356, 1392, 1437, 1517.
([467]) Form CO, para. 1095.
([468]) Form CO, para. 1096.
([469]) Form CO, paras 1096, 1209, 1256, 1308, 1357, 1393, 1438, 1518.

Horizontal Merger Guidelines are cumulative ([470]), the Commission does not need to take a position of whether the two other conditions are satisfied.

6.6.1.2.1. Ability to foreclose

(417) For the reasons set out below, the Commission considers that the merged entity would not have the ability to engage in a strategy of foreclosing downstream providers of satellite services in the aviation industry from accessing its two-way satellite capacity.

(418) First, for the purposes of this Decision, the Commission considers that the merged entity does not have a significant degree of market power in the upstream market for the supply of two-way satellite capacity, including in any potential segments thereof, at the global or EEA-wide level.

(419) The guidance set out in the Non-Horizontal Merger Guidelines sets out that '*for input foreclosure to be a concern, the vertically integrated firm resulting from the merger must have a significant degree of market power in the upstream market. It is only in these circumstances that the merged firm can be expected to have a significant influence on the conditions of competition in the upstream market and thus, possibly, on prices and supply conditions in the downstream market*'. ([471])

(420) As a result of the Commission's conclusions regarding the assessment of horizontal effects in the market for the supply of two-way satellite capacity (see Section 6.4.2.2 above), the Commission considers that post-Transaction the Parties would not enjoy a significant degree of market power in the market for the supply of two-way satellite capacity, including in any potential segments thereof. In this respect reference is being made to the results of the market investigation and the Commission's findings as detailed in Section 6.4.2.2 above. In summary: (1) the merged entity's combined market position in the supply of two-way satellite capacity would be generally moderate; (2) post-Transaction the Parties will continue to face competition from several established GEO and new LEO players; (3) there exists sufficient spare two-way satellite capacity; (4) switching between suppliers of two-way satellite capacity may be technically complex and need some time, but remains a real option; (5) SPPs customers of two-way satellite capacity are able to exert bargaining power; (6) in the narrow defined segments comprising solely wide-beam two-way satellite capacity, the merged entity will be competitively constrained by HTS alternatives; and (7) the overall impact of the Transaction on the upstream market for the supply of two-way satellite capacity is expected to be neutral.

(421) In light of the above considerations, the Commission considers that the merged entity does not have a significant degree of market power in the upstream market for the supply of two-way satellite capacity, and therefore would not have the ability to foreclose downstream rivals.

(422) Second, the vast majority of respondents having expressed a view considered that vertical integration in the market for the supply of satellite services for the aviation industry gives the vertically integrated company a competitive advantage over its non-vertically integrated competitors. ([472])

([470]) Non-Horizontal Merger Guidelines, paras 93-118.
([471]) Non-Horizontal Merger Guidelines, paras 23 and 35.
([472]) Replies to Q3 (Aviation), question D.5.

(423) However, the market investigation yielded mixed feedback on whether it could be possible the merged entity to restrict access of downstream competitors to its two-way satellite capacity. A number of respondents having expressed a view submitted that it would be unlikely or not possible for the merged entity to remove, restrict or degrade the quality of the supply, or increase the price, of its satellite capacity to SSPs in the market for the supply of satellite services in the aviation industry, whereas an equal number of respondents indicated that such a strategy could be likely or very likely. ([473])

(424) Nonetheless, half of the respondents indicating that an input foreclosure strategy could be likely or very likely, either did not substantiate their response or submitted that there exist a number of market factors that would actually constrain the merged entity from engaging in input foreclosure. For instance, a customer noted that a foreclosure strategy '*is possible but not probable given the proliferation of LEO providers and the influence this is having on pricing*'. A competitor stated that '*several practical and strategic factors could counterbalance this [foreclosure] risk: (1) Contractual Obligations: The merged entity is bound by existing contracts with independent SSPs, which are difficult to breach without incurring significant penalties. These agreements ensure continued supply to SSPs in the short term (while the contracts are in place), limiting the ability to restrict access or raise prices immediately. (2) Maximizing Fleet Utilization: The merged entity's extensive satellite fleet requires a strategy focused on maximizing fill-rates to achieve returns within the satellites' limited lifetimes. Channelling all capacity through its own SSP is unlikely to be feasible given the fleet's scale. Maintaining multiple market channels, including sales to independent SSPs, remains a more effective approach to ensure high utilization and revenue. (3) Competitive Market Dynamics: The satellite services market faces intense competition from Low Earth Orbit (LEO) operators like Starlink, which are capturing market share […]. Restricting capacity to independent SSPs could alienate key partners, pushing them toward LEO providers or other GEO competitors. Maintaining strong relationships with SSPs is strategically important for the merged entity to counter these competitive pressures*'. ([474])

(425) Third, the vast majority of respondents having expressed a view considered that the Transaction will have a neutral or positive impact on their company and on competition in the market for the supply of satellite services in the aviation industry, and any potential segments thereof. ([475])

6.6.1.2.2. Conclusion

(426) In light of the foregoing, the Commission concludes that the Transaction would not raise serious doubts as to its compatibility with the internal market as a result of potential input foreclosure stemming from the vertical relationship between the Parties' activities in the markets for the supply of two-way satellite capacity

([473]) Replies to Q3 (Aviation), question D.6. Furthermore, the feedback from the market investigation, in line with the arguments of the Notifying Party, indicated that there is no plausible vertical link between the supply of two-way satellite capacity via the C-band (upstream) and the supply of satellite services in the commercial aviation industry (downstream). This is due to the size of antennas for C-band satellite capacity which tend to have a large diameter making them impractical for aviation end uses (Form CO, paras 1074-75; Replies to Q2 (Two-way capacity), question C.A.9.1.

([474]) Replies to Q3 (Aviation), question D.6.1.

([475]) Replies to Q3 (Aviation), questions E.1. and E.2.

(upstream) and the supply of satellite services in the commercial aviation industry (downstream).

6.6.2. Input foreclosure: Vertically affected market for the supply of two-way satellite capacity (upstream) and the supply of satellite services in the maritime industry (downstream)

6.6.2.1. Notifying Party's views

(427) The Notifying Party submits that the Transaction will not result in any input foreclosure concerns arising from the vertical relationship between the upstream market for the supply of two-way satellite capacity, and the downstream market for the supply of satellite services in the maritime industry, for the following reasons.

(428) First, the Parties would have no ability to engage in input foreclosure. The merged entity would not have significant market power upstream, given there are many rival suppliers of two-way satellite capacity, and there are limited barriers to switching. ([476])

(429) Second, even if there were an ability to foreclose the supply of two-way satellite capacity to downstream competitors, any change in the incentive to engage in input foreclosure would be minimal because there is no increment arising from the Transaction in relation to the supply of satellite services in the maritime industry, given that Intelsat is not active in this downstream market. ([477])

(430) In addition, SES's individual downstream market share is de minimis ([0-5]% at the global level, and below [5-10]% in the EEA) and it faces strong competition from a number of competitors, including Marlink, Viasat/Inmarsat, KVH, Ditel, Navarino, and Speedcast. ([478])

(431) SES also faces significant competition from new LEO entrants. For instance, Starlink and OneWeb represent a significant competitive constraint in the maritime industry. ([479])

(432) Third, as the Parties would have no ability and no incentive to engage in input foreclosure, there could be no adverse effects on competition. ([480])

6.6.2.2. Commission's assessment

(433) For the reasons set out below and based on the results of the market investigation, the Commission considers that the merged entity would not have the ability to foreclose the access of downstream competitors in the maritime industry to its two-way satellite capacity. Therefore, given that the conditions under the Non-Horizontal Merger Guidelines are cumulative ([481]), the Commission does not need to take a position of whether the two other conditions are satisfied.

6.6.2.2.1. Ability to foreclose

(434) For the reasons set out below, the Commission considers that the merged entity would not have the ability to engage in a strategy of foreclosing downstream

([476]) Form CO, paras 1155, 1162, 1225, 1273, 1324, 1448, 1486.
([477]) Form CO, paras 1163, 1226, 1274, 1325, 1449, 1487.
([478]) Form CO, paras 1163, 1226, 1274, 1325, 1449, 1487.
([479]) Form CO, paras 1164-66, 1226, 1274, 1325, 1449, 1487.
([480]) Form CO, paras 1167, 1227, 2275, 1326, 1450, 1488.
([481]) Non-Horizontal Merger Guidelines, paras 93-118.

providers of satellite services in the maritime industry from accessing its two-way satellite capacity.

(435) First, for the purposes of this Decision, the Commission considers that the merged entity does not have a significant degree of market power in the market for the supply of two-way satellite capacity, at the global and EEA-wide level, for the reasons set out above in paragraphs (418)-(421).

(436) Second, market participants that expressed a view considered that vertical integration in the market for the supply of satellite services for the maritime industry gives the vertically integrated company a competitive advantage over its non-vertically integrated competitors. ([482]) However, market participants submitted that it would not be possible for the merged entity to remove, restrict or degrade the quality of the supply, or increase the price, of its satellite capacity to SSPs in the market for the supply of satellite services for the maritime industry. This is because '[*t]he growing dominance of Starlink means that providers are unlikely to have the ability to implement such strategies. SSPs can just add a Starlink or OneWeb terminal (and SSPs already resell Starlink capacity)*'. ([483])

(437) Third, all market participants that expressed a view considered that the Transaction will have a neutral impact on their company and on competition in the market for the supply of satellite services in the maritime industry. ([484])

6.6.2.2.2. Conclusion

(438) In light of the foregoing, the Commission concludes that the Transaction would not raise serious doubts as to its compatibility with the internal market as a result of potential input foreclosure stemming from the vertical relationship between the Parties' activities in the markets for the supply of two-way satellite capacity (upstream) and the supply of satellite services in the maritime industry (downstream).

6.6.3. Input foreclosure: Vertically affected market for the supply of two-way satellite capacity (upstream) and the supply of satellite services in the fixed data industry (downstream)

6.6.3.1. Notifying Party's views

(439) The Notifying Party submits that the Transaction will not result in any competition concerns arising from the vertical relationship between the upstream market for the supply of two-way satellite capacity, and the downstream market for the supply of satellite services in the fixed data industry, for the following reasons.

([482]) Replies to Q4 (Maritime), question D.5. The feedback from a market participant that is not active in the maritime industry, but has nonetheless replied to Q4 (Maritime), has been disregarded. The instructions of Q4 (Maritime) specifically ask market participants to reply only to those questions in relation to which they have sufficient knowledge.

([483]) Replies to Q4 (Maritime), question D.6. The feedback from a market participant that is not active in the maritime industry but, has nonetheless replied to Q4 (Maritime), has been disregarded. The instructions of Q4 (Maritime) specifically ask market participants to reply only to those questions in relation to which they have sufficient knowledge.

([484]) Replies to Q4 (Maritime), questions E.1 and E.2. The feedback from a market participant that is not active in the maritime industry, but has nonetheless replied to Q4 (Maritime), has been disregarded. The instructions of Q4 (Maritime) specifically ask market participants to reply only to those questions in relation to which they have sufficient knowledge.

(440) First, the Parties would have no ability to engage in input foreclosure. The merged entity would not have significant market power upstream, given that there are many rival suppliers of two-way satellite capacity, and there are limited barriers to switching. ([485])

(441) Second, even if there were an ability to foreclose the supply of two-way satellite capacity to downstream competitors, the Parties would have no incentive to attempt a foreclosure strategy. The Parties' combined shares downstream are de minimis. ([486]) This means that the Parties would bear the full cost of a hypothetical input foreclosure strategy (in that it would lose sales of satellite capacity to downstream competitors) but would reap only a small fraction of any hypothetical benefits with such a low combined share downstream. ([487])

(442) In addition, as fibre networks and 5G have expanded recently, many fixed data customers have transitioned away from using satellites, decreasing revenue opportunities for satellite operators. As fibre continues to expand, customers in the fixed data industry will no longer need satellite services or will be able to reduce their reliance on it to simply serve as a back-up connection option.

(443) In any event, competition within the fixed data industry remains fierce. SES and Intelsat face, and will continue to face, competition from a range of legacy GEO satellite providers, including Echostar/Hughes, Viasat/Inmarsat, Hispasat, Telesat and Eutelsat. Moreover, customers increasingly make use of the low-cost, low-latency, high-bandwidth solutions offered by LEO operators, such as Starlink and others. As such, any hypothetical attempt by the Parties to foreclose competitors would leave the customers of such competitors with a range of alternative suppliers, other than the Parties, they could switch to. The Parties' low combined shares downstream suggest that customers switching from a competitor that the Parties tried to foreclose would be more likely to switch to rivals, than to the Parties. ([488])

(444) Third, as the Parties would have no ability and no incentive to engage in input foreclosure, there could be no adverse effects on competition. ([489])

6.6.3.2. Commission's assessment

(445) For the reasons set out below and based on the results of the market investigation, the Commission considers that the merged entity would not have the ability to foreclose the access of downstream competitors in the fixed data industry to its two-way satellite capacity. Therefore, given that the conditions under the Non-Horizontal Merger Guidelines are cumulative ([490]), the Commission does not need to take a position of whether the two other conditions are satisfied.

6.6.3.2.1. Ability to foreclose

(446) For the reasons set out below, the Commission considers that the merged entity would not have the ability to engage in a strategy of foreclosing downstream

([485]) Form CO, paras 1155, 1171, 1231, 1279, 1330, 1367, 1410, 1455, 1492.
([486]) The Parties' combined market shares in the fixed data segment for 2023 were [0-5]% globally and [0-5]% in the EEA.
([487]) Form CO, paras 1172, 1232, 1280, 1331, 1368, 1411, 1456, 1493.
([488]) Form CO, paras 1173-75.
([489]) Form CO, paras 1176, 1233, 1281, 1332, 1369, 1412, 1457, 1494.
([490]) Non-Horizontal Merger Guidelines, paras 93-118.

providers of satellite services in the fixed data industry from accessing its two-way satellite capacity.

(447) First, for the purposes of this Decision, the Commission considers that the merged entity does not have a significant degree of market power in the market for the supply of two-way satellite capacity, at the global or EEA-wide level, for the reasons set out above in paragraphs (418)-(421).

(448) Second, the vast majority of respondents having expressed a view considered that vertical integration in the market for the supply of satellite services for the fixed data industry gives the vertically integrated company a competitive advantage over its non-vertically integrated competitors. ([491])

(449) However, the majority of respondents having expressed a view considered that it would be unlikely or not possible for the merged entity to remove, restrict or degrade the quality of the supply, or increase the price, of its satellite capacity to SSPs in the market for the supply of satellite services for the fixed data industry. ([492]) One respondent explained that this is because of '*the presence of other satellite network operators which act as ready alternatives in the event where anti-competitive action is taken by another satellite network operator*'. Another respondent stated that the market for the supply of satellite services in the fixed data industry is a '*competitive market and the list of other providers is still big enough*'. A further respondent explained that '*the introduction of LEO competitors – notably, Starlink – has fundamentally changed customer expectations in terms of price and performance. Many of our customers are specifying LEO over GEO and GEO is only able to compete on a price basis since the performance of GEO beams cannot match that of LEO for our specific customer base. […] Additionally, more LEO constellations are anticipated to enter service in the coming years (including Amazon Kuiper), which will only create more options for customers*'. Another respondent stated that '*[there] are many alternatives and the supply in higher than the demand, the prices will not increase*'. ([493])

(450) In addition, the majority of respondents that expressed a view indicated that in a hypothetical scenario, where the merged entity would engage in input foreclosure, it would be possible for them to source satellite capacity from alternative capacity providers and continue to viably compete on the market for the supply of satellite services in the fixed data industry. ([494])

(451) Furthermore, the market investigation indicated that in the fixed data industry fibre connectivity solutions pose a constraint on SSPs. In particular, the majority of respondents having expressed a view considered that connectivity services provided via fibre technologies are currently a credible alternative to the supply of connectivity services provided via satellite in the fixed data industry, and any potential segments thereof. ([495]) As such, the existence of credible fibre alternatives, at least in geographic areas with developed fibre networks, could make a hypothetical foreclosure strategy even less plausible, as customers of foreclosed SSPs could switch to fibre alternatives instead of switching to the merged entity.

([491]) Replies to Q6 (Fixed data), question D.7.
([492]) Replies to Q6 (Fixed data), question D.8.
([493]) Replies to Q6 (Fixed data), question D.8.1.
([494]) Replies to Q6 (Fixed data), question D.9.
([495]) Replies to Q6 (Fixed data), question D.13.

(452) Third, the vast majority of respondents having expressed a view considered that the Transaction will have a neutral impact on their company and on competition in the market for the supply of satellite services in the fixed data industry, and any potential segments thereof. ([496])

6.6.3.2.2. Conclusion

(453) In light of the foregoing, the Commission concludes that the Transaction would not raise serious doubts as to its compatibility with the internal market as a result of potential input foreclosure stemming from the vertical relationship between the Parties' activities in the markets for the supply of two-way satellite capacity (upstream) and the supply of satellite services in the fixed data industry (downstream).

6.6.4. Input foreclosure: Vertically affected market for the supply of two-way satellite capacity (upstream) and the supply of satellite services in the government sector (downstream)

6.6.4.1. Notifying Party's views

(454) The Notifying Party submits that the Transaction will not result in any competition concerns arising from the vertical relationship between the upstream market for the supply of two-way satellite capacity, and the downstream market for the supply of satellite services in the government sector, for the following reasons.

(455) First, the Parties would have no ability to engage in input foreclosure. The merged entity would not have a significant market power upstream, given that there are many rival suppliers of two-way satellite capacity, and there are limited barriers to switching. ([497]) As satellite capacity is fungible across industry segments, in practice any SNO would be capable of supplying satellite capacity to SSPs for the provision of satellite services in the government sector and would, therefore, constrain the Parties post-Transaction. These include SNOs such as Eutelsat/OneWeb, ABS Asia Broadcast Satellite, ArabSat/Hellas Sat, Hispasat and Telesat. ([498])

(456) The intense competition in the supply of satellite capacity, including to the government sector, would also be reflected in evidence showing that pricing of satellite capacity has been declining (from 1 496 USD/Mbps per month to 310 USD/Mbps per month in the period 2019-24). ([499]) This would mean that, even if the merged entity were to attempt to worsen the terms of supply of satellite capacity to SSPs for government end uses, those SSPs could acquire satellite capacity from the Parties' competitors. ([500])

(457) Furthermore, there is no shortage of satellite capacity to supply SSPs active in the government sector, and there is sufficient spare capacity in the industry. ([501])

([496]) Replies to Q6 (Fixed data), questions E.1 and E.2.
([497]) Form CO, para. 1184.
([498]) Form CO, para. 1185.
([499]) Novaspace's 'Satellite Connectivity and Video Market' report, 31st edition (2024), file 'PREMIUM_SCVM24_FSS_capacity_pricing.xlsx', tab 'Consolidated ARPU_Mbps'.
([500]) Form CO, paras 1186-87.
([501]) Form CO, paras 1187, 1237-43, 1286-94, 1337-44, 1373-80, 1418-25, 1462-69, 1498-1505.

(458) Second, even if there were an ability to foreclose inputs, the merged entity would have no incentive to attempt a foreclosure strategy.

(459) The Parties' combined shares downstream are modest (just [10-20]% globally and [10-20]% in the EEA), and the increment is small ([0-5]% globally and [0-5]% in the EEA), which means that the change in incentives post-Transaction would be small. ([502])

(460) Moreover, if the Parties were to attempt an input foreclosure strategy, they would bear the full cost of such a strategy and would not reap the benefits. This is because their SSP customers could easily use satellite capacity from alternative suppliers (i.e., other than the Parties), and/or government sector customers would switch to using alternative downstream competitors such as Viasat/Inmarsat or Starlink. ([503])

(461) In addition, within the supply of satellite services in the government sector, the Parties are significantly competitively constrained by both GEO and LEO operators (e.g., Starlink, OneWeb already offer services directly to government customers, whereas Amazon's Project Kuiper and Telesat's Lightspeed are also expected to supply government customers). ([504])

(462) As such, government sector customers switching away from SSPs as a result of a hypothetical foreclosure attempt by the merged entity would be able to switch to a range of alternative suppliers, not only to the Parties. The Parties' modest combined shares (both globally and in the EEA) would suggest that customers switching from a competitor that the Parties tried to foreclose would be more likely to switch to rivals than to the Parties. ([505])

(463) Third, as the Parties would have no ability and no incentive to engage in input foreclosure, there could be no adverse effects on competition. ([506])

6.6.4.2. Commission's assessment

(464) For the reasons set out below and based on the results of the market investigation, the Commission considers that the merged entity would not have the ability to foreclose the access of downstream competitors in the government sector to its two-way satellite capacity. Therefore, given that the conditions under the Non-Horizontal Merger Guidelines are cumulative ([507]), the Commission does not need to take a position of whether the two other conditions are satisfied.

6.6.4.2.1. Ability to foreclose

(465) For the reasons set out below, the Commission considers that the merged entity would not have the ability to engage in a strategy of foreclosing downstream providers of satellite services in the government sector from accessing its two-way satellite capacity.

(466) First, for the purposes of this Decision, the Commission considers that the merged entity does not have a significant degree of market power in the market for the

([502]) Form CO, para. 1190.
([503]) Form CO, para. 1191.
([504]) Form CO, paras 1192-94
([505]) Form CO, paras 1195, 1244-49, 1295-1300, 1345-50, 1381-86, 1426-31, 1470-75, 1506-11.
([506]) Form CO, paras 1196-1200, 1250, 1301, 1351, 1387, 1432, 1476, 1512.
([507]) Non-Horizontal Merger Guidelines, paras 93-118.

supply of two-way satellite capacity, at the global and EEA-wide level, for the reasons set out above in paragraphs (418)-(421).

(467) Second, the majority of respondents having expressed a view considered that vertical integration in the market for the supply of satellite services for the government sector gives the vertically integrated company a competitive advantage over its non-vertically integrated competitors. ([508]) Furthermore, the vast majority of respondents having expressed a view considered that it would be likely or very likely for the merged entity to remove, restrict or degrade the quality of the supply, or increase the price, of its satellite capacity to SSPs in the market for the supply of satellite services for the government sector. ([509]) The Commission notes though that there was a very high number of "I don't know" responses to this question.

(468) Nonetheless, a large part of the respondents indicating that an input foreclosure strategy could be likely or very likely did not substantiate their response or submitted that there exist a number of market factors that would actually constrain the merged entity from engaging in input foreclosure. For instance, one market participant stated that '*several practical and strategic factors could counterbalance this risk: (1) Contractual Obligations: The merged entity is bound by existing contracts with independent SSPs, which are difficult to breach without incurring significant penalties. These agreements ensure continued supply to SSPs in the short term (while the contracts are in place), limiting the ability to restrict access or raise prices immediately. (2) Maximizing Fleet Utilization: The merged entity's extensive satellite fleet requires a strategy focused on maximizing fill-rates to achieve returns within the satellites' limited lifetimes. Channelling all capacity through its own SSP is unlikely to be feasible given the fleet's scale. Maintaining multiple market channels, including sales to independent SSPs, remains a more effective approach to ensure high utilization and revenue. (3) Competitive Market Dynamics: The satellite services market faces intense competition from Low Earth Orbit (LEO) operators like Starlink, which are capturing market share […]. Restricting capacity to independent SSPs could alienate key partners, pushing them toward LEO providers or other GEO competitors. Maintaining strong relationships with SSPs is strategically important for the merged entity to counter these competitive pressures*'. Another market participant noted that '*certain market and regulatory mechanisms (e.g., EU/NATO institutional programs, open public tenders, and the competition framework) could limit the actual impact of such behavior, especially in the medium term*'. ([510])

(469) In addition, despite several respondents expecting a negative impact of a potential input foreclosure strategy on their company ([511]), many respondents having expressed a view consider that it would be possible for them to source satellite capacity from alternative providers and continue to viably compete on the market for the supply of satellite services to the government sector. ([512]) In this regard, a strong majority of market participants consider that satellite services based on LEO satellites are a credible alternative in the market for the supply of satellite services in the government sector. ([513]) Of the few respondents that did not

([508]) Replies to Q5 (Government), question D.7.
([509]) Replies to Q5 (Government), question D.8.
([510]) Replies to Q5 (Government), question D.8.1.
([511]) Replies to Q5 (Government), question D.10.
([512]) Replies to Q5 (Government), question D.9.
([513]) Replies to Q5 (Government), question D.11.

consider services based on LEO satellites an alternative at the moment, most consider them to become a credible alternative within the next 5 years. ([514])

(470) Third, the majority of respondents having expressed a view considered that the Transaction will have a neutral or positive impact on their company and on competition in the market for the supply of satellite services in the government sector. ([515])

6.6.4.2.2. Conclusion

(471) In light of the foregoing, the Commission concludes that the Transaction would not raise serious doubts as to its compatibility with the internal market as a result of potential input foreclosure stemming from the vertical relationship between the Parties' activities in the markets for the supply of two-way satellite capacity (upstream) and the supply of satellite services in the government sector (downstream).

7. CONCLUSION

(472) 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)
Teresa RIBERA
Executive Vice-President

([514]) Replies to Q5 (Government), question D.12.
([515]) Replies to Q5 (Government), questions E.1 and E.2.

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