

***Case No COMP/M.1938 -
BT / TELFORT***

Only the English text is available and authentic.

**REGULATION (EEC) No 4064/89
MERGER PROCEDURE**

Article 6(1)(b) NON-OPPOSITION
Date: 21/06/2000

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COMMISSION OF THE EUROPEAN COMMUNITIES

Brussels, 21.06.2000

SG (2000) D/104394

In the published version of this decision, some information has been omitted pursuant to Article 17(2) of Council Regulation (EEC) No 4064/89 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 Where possible the information omitted has been replaced by ranges of figures or a general description.

PUBLIC VERSION

MERGER PROCEDURE
ARTICLE 6(1)(b) DECISION

To the notifying party

Dear Sirs,

Subject: Case No COMP/M.1938 BT/TELFORT

Notification of 16.05.2000 pursuant to Article 4 of Council Regulation No 4064/89

1. On 16.05.2000, the Commission received a notification of a proposed concentration pursuant to Article 4 of Council Regulation (EEC) No 4064/89¹ by which British Telecommunications plc (BT) acquires within the meaning of Article 3(1)(b) of the Council Regulation control of the whole of the Dutch company Telfort Holding N.V. (Telfort), previously jointly controlled by BT and the Dutch company NS Groep N.V (NSG).
2. After examination of the notification, the Commission has concluded that the notified operation falls within the scope of Council Regulation (EEC) No 4064/89 and does not raise serious doubts as to its compatibility with the common market and with the EEA Agreement.

I THE PARTIES' ACTIVITIES AND THE OPERATION

3. BT's principal activity is the supply of telecommunications services and equipment. Its main services are the supply of local and long-distance telephony in the UK, the provision of telephone exchange lines to private and business customers, the provision of international

¹ OJ L 395, 30.12.1989 p.1; corrigendum OJ L 257 of 21.9.1990, p. 13, last amended by Regulation (EC) No 1310/97 (OJ L 180, 9.7.1997, p.1, corrigendum OJ L 40, 13.2.1998, p.17).

telecommunications services from and to the UK and the supply of telecommunication equipment for customers' premises etc.

BT indirectly wholly owns BT Netherlands (Holdings) BV (BTNH) which is a financial holding company which holds the majority of BT's equity interests in European ventures outside the UK such as Telfort.

4. Telfort is a telecommunications company providing telecommunication services and infrastructure throughout the Netherlands.
5. The proposed concentration is the acquisition of sole control by BT of Telfort. BT will acquire all the shares that NSG holds in Telfort (50%), as a result of which BT will hold 100% of the shares and will acquire sole control.

II COMMUNITY DIMENSION

6. BT and Telfort have a combined aggregate worldwide turnover in excess of EUR 5 billion [...] their aggregate community-wide turnover is more than EUR 250 million and they do not achieve more than two-thirds of their aggregate Community-wide turnover within one and the same Member State. The notified operation therefore has a Community dimension.

III. COMPETITIVE ASSESSMENT

7. The operation only consists in a change from joint to sole control, and in the withdrawal of NSG from Telfort and therefore does not materially affect competition. The competitive position of BT remains unchanged.
8. There are no affected markets.
9. It follows that the proposed concentration does not create or strengthen a dominant position as a result of which effective competition would be significantly impeded in the EEA or any substantial part of that area.

IV CONCLUSION

10. For the above reasons, the Commission has decided not to oppose the notified operation and to declare it compatible with the common market and with the EEA Agreement. This decision is adopted in application of Article 6(1)(b) of Council Regulation (EEC) No 4064/89.

For the Commission,
Signed by Mario Monti
Member of the Commission