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GVH condemned the PR-TELECOM cable television provider

The Competition Council of the Hungarian Competition Authority (Gazdasági Versenyhivatal – GVH) established in its decision, issued on 23 March 2006, that PR-TELECOM Távközlési Kereskedelmi és Szolgáltató Rt. abused its dominant position, when it enacted modifications of its cable television programme package which included a significant rise in price without asking its subscribers. Because of its unlawful behaviour the GVH's Competition Council imposed a HUF 10 million (approx. EUR 37, 500) fine on PR-TELECOM Távközlési Kereskedelmi és Szolgáltató Rt.

The GVH's Competition Council – following its former practice – stated that it's the infringement of competition law if a cable television provider modify the programme package without asking its subscribers. The asking is needed when the modification of the programme package entail with a significant rise in price. In that case the cable television provider with a dominant position should give a chance to its subscribers to express their opinion on the intended modification of which result has to be it take into account.

If the majority of subscribers does not want the intended modification the provider is not allowed to do the modification according to law. Otherwise it would bind the majority of subscribers to purchase a good or a component of a good, which is not wanted by the majority. The defenceless consumer would experience this like a pressure, an unjustified income change since he has no real possibility to subscribe to another provider or any other way to speak against the modification with a potential good result on him.

The PR-TELECOM took into account the general information on the consumer's needs which was published by the market research companies. But in the opinion of GVH's Competition Council this does not makes unnecessary that the consumers of certain providing districts could protest against the modification nor in the case when the experience till now shows that a relatively small part of consumers took the opportunity to use this possibility.

On the grounds of all above the GVH's Competition Council imposed a HUF 10 million (approx. EUR 37, 500) fine on PR-TELECOM Távközlési Kereskedelmi és Szolgáltató Rt. because of its unlawful behaviour.

Register number of the case: Vj-98/2005.

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