

**Press Release** Number 31/2015

Mexico City, April 29th, 2015

## PRELIMINARY REPORT OF THE IFT INVESTIGATING AUTHORITY CONCLUDES THAT GRUPO TELEVISA HAS SUBSTANTIAL POWER ON THE PAY TV MARKET WITH THE ACQUISITION OF CABLECOM

In compliance with the provisions of Section V of Article 96 of the Federal Economic Competition Law (Ley Federal de Competencia Económica, LFCE), the Investigating Authority issued the preliminary opinion as to the existence of operators with significant power in the relevant market in the provision of the television and audio restricted service.

The investigation began and was substantiated by taking into account the ruling by the Plenary of the Federal Telecommunications Institute (Instituto Federal de Telecomunicaciones, IFT) on December 10, 2014, relating to the notice of concentration between the economic interest group which is Grupo Televisa and Grupo Cable TV, S.A. de C.V. (Cablecom).

Of the elements analyzed during the investigation period, the Preliminary Report concludes that the relevant market is for the provision of television and audio restricted services through any transmission technology, with a local geographic dimension, adopting as geographic unit of study the district<sup>1</sup>.

Similarly, it is concluded that derived from the concentration with Cablecom, the economic interest group which is part Grupo Televisa, acquired or increased its substantial power in 99 relevant markets.

<sup>1</sup> Was based on the National Institute of Statistics and Geography (INEGI) catalog, District Geostatistics Area level for 2013.



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Since the publication of the extract and the Preliminary Report relevant data, the IFT Antitrust Unit will initiate a procedure in the form of judgment, in accordance with Article 96 of the Federal Economic Competition Law, in order to present the evidence submit those involved and make a draft resolution that, in turn, it will be submitted to the Plenary for that to be the case, they issued the necessary measures to avoid damage to competition in these markets.

At this stage, the economic agents may participate if they prove to have an interest in the matter, they may manifest what serves their interests and provide the evidence that would deem appropriate in regard of the Preliminary Report within twenty working days of publication in the Official Gazette of the Federation of the Preliminary Opinion Relevant Data.

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The Federal Institute of Telecommunications (IFT) is the autonomous body entrusted with the regulation, promotion and supervision of the efficient performance of broadcasting and telecommunications sectors in Mexico, and also exercises, in exclusive manner, the authorities in matters of economic competition of such sectors pursuant to the Decree whereby several provisions of Articles 6, 7, 27, 28, 94 and 105 of the Political Constitution of the United Mexican States are amended and supplemented in telecommunications matters, published in the Federal Official Gazette on June 11<sup>th</sup> of 2013.

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