



Media relations
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Press Release

regarding judgment B-2798/2018 of 16 February 2021

Naxoo SA sanctioned for abusing its dominant position

The Federal Administrative Court (FAC) upholds, in principle, the sanction imposed by the Competition Commission on Naxoo SA for abusing its dominant position. However, it reduces the amount to be paid to around CHF 3.25 million.

In its judgment, the FAC finds that Naxoo had a dominant position in the market for cable connections in the City of Geneva. It holds that the undertaking abused its position vis-à-vis building owners, third-party systems providers and end users. Naxoo is alleged to have imposed unfair conditions of trade through its contracts to connect buildings to the cable television network and to have limited both market opportunities and technical development.

Whenever physically connecting buildings to the cable television network, Naxoo took advantage of the fact that proprietors viewed its services as indispensable by taking control over the usage of the buildings' wiring and in this way preventing proprietors from installing third-party systems using the same coaxial cable socket. In doing so, Naxoo ensured its sole ability to use the indoor installations required to distribute the coaxial signal to end users. Thus, by being prevented from setting up competing parallel systems, proprietors were impeded by Naxoo's business practice to freely use their buildings' wiring. This has also limited market opportunities for third parties providing for instance satellite based systems, and has hampered technological development. Finally, end consumers have been prevented from accessing other telecommunication services that are complementary to or in competition with the cable network, in particular those offered via satellite.

The FAC therefore upholds, in principle, the sanction imposed by the Competition Commission. However, in light of Naxoo's current turnover it reduces the amount to be paid from CHF 3.6 to around CHF 3.25 million.

This judgment may be appealed to the Federal Supreme Court.

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About the Federal Administrative Court

Located in St. Gallen, the Federal Administrative Court (FAC) was established in 2007. With its staff of 353 employees (297.3 FTE) and its 73 judges (65.15 FTE) it is the largest federal court in Switzerland. The Federal Administrative Court has jurisdiction to hear appeals against decisions rendered by Swiss federal administrative authorities. In specific matters, the FAC may grant review on decisions rendered by cantonal authorities. Recourse actions are also reviewed by the Court. The FAC is composed of six divisions. It renders an average of 7,200 judgments every year.