



Sky Italia violates the terms set down by the European Commission by interrupting the re-broadcast of “*Il Grande Fratello*” over FastWeb’s network

Milan, March 12th 2004 -- Sky Italia has interrupted the re-broadcast of the Pay-TV show “*Il Grande Fratello*” (the Italian version of the popular reality TV show “Big Brother”) over FastWeb’s network, with an urgent appeal to the Court of Milan. FastWeb is the only competing television network in Italy and operates over a fibre optic and DSL network.

The behaviour of the Pay-TV monopolist appears to be arrogant and in open violation of the European Commission’s decision authorizing the foundation of Sky Italia from the merger between Tele+ and Stream. The Commission’s authorization was subject to certain conditions, such as the availability of premium content to non-satellite competitors.

The conditions for clearance of the merger, posed by the European Commission, oblige Sky Italia to supply non-satellite competitors with the possibility of “*buying the premium content* broadcast by non-DTH platforms *by means of a wholesale offer*” even when this content is broadcast in their “basic package”, indeed the Commission states that it is indispensable that premium content “*be accessible in the future, as premium content is what drives subscriptions to pay-TV*”.

Furthermore the Commission’s ruling obliges Sky Italia to involve “*the AGCOM (the Italian Communication Authority) for the matters within its competence under Italian law and for the supervision of the functioning of the "wholesale offer"*”.

The violation of these obligations constitutes a serious impairment to those consumers who have decided to watch “*Il Grande Fratello*” on FastWeb’s TV and the interruption has been carried out inappropriately. Sky Italia’s attitude, once again, shows their lack of compliance to the European Commission’s ruling and their intention, after the failure of “*Gioco Calcio*” (an alternative soccer pay channel), to be the only available platform on the Italian market.

FastWeb will immediately request that AGCOM and the European Commissioner, Mario Monti, re-establish the conditions for effective competition and subject Sky Italia to a sanction for abuse of dominant position.

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