



Australian
Competition &
Consumer
Commission

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NEWS RELEASE

ACCC TO NOT OPPOSE NBN CO'S PROPOSED ACQUISITION OF TRANSACT'S FIBRE TO THE PREMISES NETWORK

The Australian Competition and Consumer Commission will not oppose the proposed acquisition of TransACT Capital Communications Pty Ltd's (TransACT) fibre to the premises network (TransACT FTTP network) by NBN Co Limited (NBN Co).

TransACT's parent company is iiNet Limited. The TransACT FTTP network currently passes approximately 8,500 premises in new residential estates in the ACT and once construction is complete, is expected to pass approximately 17,500 premises.

In reaching its decision, the ACCC consulted with a range of interested parties, including customers of TransACT and telecommunications service providers in the ACT.

"Importantly, the ACCC considered that it was highly unlikely that NBN Co would overbuild the TransACT FTTP network in the absence of the proposed acquisition," ACCC Chairman Rod Sims said.

"The ACCC therefore concluded that the proposed acquisition represents a bare transfer of assets and wholesale market share from TransACT to NBN Co. Accordingly, the proposed acquisition is unlikely to substantially lessen competition in any relevant wholesale or retail market," Mr Sims said.

The ACCC noted that the proposed acquisition would also remove TransACT's vertical integration in the areas passed by the TransACT FTTP network and potentially open up these areas to increased retail competition, through the entry of other retail service providers.

The ACCC also noted that the proposed acquisition would not result in horizontal aggregation at the retail level given that NBN Co is not a retailer. TransACT would continue to retail with or without the proposed acquisition.

The ACCC's decision will be available at www.accc.gov.au

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