



Australian
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NEWS RELEASE

ACCC CALLS FOR COMMENT ON PROPOSED ACQUISITION OF iiNET BY TPG

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The Australian Competition and Consumer Commission today released a Statement of Issues outlining the ACCC's preliminary views on the proposed acquisition of iiNet Ltd (ASX:IIN) (iiNet) by TPG Telecom Ltd (ASX:TPM) (TPG).

The ACCC is seeking further information to determine whether the proposed acquisition would be likely to substantially lessen competition in the market for the supply of retail fixed broadband services.

"The proposed acquisition would combine two of the five largest suppliers of fixed broadband in Australia. The ACCC is exploring the extent to which the acquisition of iiNet will reduce competition by reducing the likely competitive tensions in respect of pricing, innovation and service quality," ACCC Chairman Rod Sims said.

"The ACCC has received a number of submissions from consumers. Their concerns primarily focus upon fears that iiNet's customer service levels will decline as a result of the proposed acquisition."

"The ACCC is also considering whether the competitive constraint posed by the remaining competitors, namely Telstra, Optus, M2 and the much smaller market participants, would be sufficient to prevent a substantial lessening of competition in the supply of fixed broadband services. As a general proposition, competition is stronger when the market contains more competitors," Mr Sims said.

The ACCC's preliminary view is that the proposed acquisition is unlikely to raise competition concerns in other markets, including in relation to the supply of wholesale transmission (or backhaul), mobile broadband and voice services.

The Statement of Issues is not a final decision. It provides the ACCC's preliminary views on the proposed acquisition and the lines of further inquiry that the ACCC wishes to undertake.

The ACCC invites further submissions from interested parties in response to the Statement of Issues by 2 July 2015. As a result, the ACCC's final decision will be deferred until 20 August 2015.

The Statement of Issues is available on the [public register](#).