

**SCARLET N.V. CONTRIBUTION
TO PUBLIC CONSULTATION
BROADBAND MARKET ANALYSIS**

18 FEBRUARY

NON CONFIDENTIAL

Scarlet N.V. welcomes the opportunity to be able to provide its observations regarding the proposals for decisions regarding the broadband market analysis. Below we list our main observations regarding this market analysis.

As a smaller economic entity and brand Scarlet N.V. very strongly feels the competitive pressure from cable companies, that have very performant networks (with offers that go up to 100 Mbps) and a full coverage (in fact [Confidential]). Moreover, today very high speed internet offers are only available on cable television networks. As the current market definition does not take into account new service offerings by cable television operators of 40, 50, 60 and 100 Mbps, the regulatory analysis as set out in the draft decision does not cover a significant part of the market at all.

Moreover, cable television operators are driving the triple play services on the market. They have strong brands and the dominant position in the market of the reference service for triple play, namely TV. [Confidential]

Scarlet N.V. therefore regrets that the broadband market analysis does not properly address the strong position (or even dominant position in the North) of the cable networks. By not taking them into account when analysing the broadband market regulation provides cable with a free ride on a market where they already (start to) have a stronghold. [Confidential]

To us, the analysis of the broadband Internet market should be based on the findings encountered with respect to the real market for broadband Internet. As a result, broadband Internet should form part of the broadband Internet market analysis. If not the regulator would choose to leave a monopoly to cable operators for very high speed. This is not desirable.

Further Scarlet N.V. also disagrees with the national market approach of the BIPT. In fact Scarlet N.V. experiences – in marketing its Broadband Internet Services - significant differences in the degree and nature of competition between different areas of the country.

[Confidential]

Therefore Scarlet N.V. requests the BIPT to seriously revise its market analysis, in order to take these elements into account. [Confidential] can only be addressed by including cable in the broadband Internet market at the wholesale level and to impose the same remedies on cable as are imposed on DSL (access on cost oriented non-discriminatory conditions). In view of a positive competitive outcome it is necessary that there is especially attention paid to the triple play position of cable and its monopoly on very high speed broadband.

The BIPT is requested to address this situation in a correct way; if not the market analysis risks to add nothing to an improvement of the competitive conditions on the distinct broadband markets in Belgium. A status quo of the current situation is not a workable scenario in that respect.

Scarlet N.V.'s thanks for the opportunity offered for it to express its view and hopes that the above points will be taken into account in the further evaluation of the future regulation on broadband.