



Commission for
Communications Regulation

Information Notice

Obligation on Eircom not to unreasonably bundle pursuant to ComReg Decision D07/61

Settlement of Legal Proceedings

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An Coimisiún um Rialáil Cumarsáide

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In April 2009, ComReg formed the view¹ that Eircom had failed to comply with its obligation not to unreasonably bundle². ComReg then also directed Eircom not to launch further non-compliant bundles³. The reason the bundles launched by Eircom were non-compliant was that they failed the established Net Revenue Test as they did not cover their total costs. ComReg then applied to the High Court for an order compelling Eircom to comply. Eircom appealed ComReg's directions and opinion.

These matters of concern have today been settled. ComReg believes that the terms of the settlement will bring certainty to industry regarding the obligation not to unreasonably bundle.

The parties have agreed the following in relation to bundles that include retail line rental:

1. Bundles will be assessed by reference to the Net Revenue Test using average total cost;
2. Eircom is not to launch bundles which include retail line rental without ComReg's prior approval;
3. Eircom will modify the October 2008 bundles in a manner approved by ComReg. In default of such modification, Eircom will withdraw such bundles;
4. If there are any bundles in the market that include retail line rental that have been cleared by ComReg, which ComReg subsequently determines do not pass the Net Revenue Test, Eircom will modify or withdraw such bundles;
5. ComReg has agreed to conduct a consultation in relation to a further specification of the existing obligation not to unreasonably bundle.

¹ See ComReg document No. 09/25

² As set out in ComReg Decision D07/61 which requires Eircom not to unreasonably bundle retail line rental with other services

³ See ComReg document No. 09/31 and 09/53