



swisscom

Press release

Civil law claims in the ADSL proceedings

Based on the Federal Supreme Court ruling in the ADSL proceedings, which opened on 19 December 2019, Sunrise has filed a civil action for damages in the amount of CHF 350 million. Swisscom will examine this claim. No information will be given on the court case now pending.

Swisscom's guidance for the current financial year remains unchanged. Provisions have been made for possible civil law claims.

ADSL proceedings in brief

In October 2005, the Competition Commission (COMCO) initiated an investigation against Swisscom for alleged improper BBCS pricing. In its sanction ruling of 19 October 2009, COMCO concluded that Swisscom held a market-dominant position in the broadband market and that it had abused this position by means of a so-called margin squeeze (i.e. an insufficient margin between the input price and end-customer price) up to the end of 2007. As a result, COMCO imposed a fine of CHF 219 million against Swisscom. The company then lodged an appeal against this sanction ruling with the Federal Administrative Court.

In its ruling of 14 September 2015, the Federal Administrative Court partially upheld Swisscom's appeal. The Federal Administrative Court in principle confirmed COMCO's allegation of misconduct, whereby Swisscom is deemed to have charged its competitors improper prices for its Broadband Connectivity Service (BBCS) up to the end of December 2007, meaning that they were unable to achieve adequate margins for their own end-customer products. However, it did find that the fine of CHF 219 million imposed by COMCO was too high, and therefore reduced this to CHF 186 million. Swisscom lodged an appeal against this ruling with the Federal Supreme Court, which was rejected. The Federal Supreme Court confirmed the ruling of the lower court.

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