



**CONSULTATION PAPER ISSUED BY
THE INFO-COMMUNICATIONS DEVELOPMENT AUTHORITY OF SINGAPORE**

**PROPOSED CONSOLIDATION BETWEEN ST TELEPORT PTE LTD AND
SPEEDCAST INTERNATIONAL LIMITED**

11 MARCH 2016

- PART I : INTRODUCTION**
- PART II : PROPOSED CONSOLIDATION BETWEEN ST TELEPORT PTE LTD AND SPEEDCAST INTERNATIONAL LIMITED**
- PART III : INVITATION TO COMMENT**

PROPOSED CONSOLIDATION BETWEEN ST TELEPORT PTE LTD AND SPEEDCAST INTERNATIONAL LIMITED

11 March 2016

In accordance with Sub-section 10.6(d) of the Code of Practice for Competition in the Provision of Telecommunication Services 2012 (the “**Code**”), the Info-communications Development Authority of Singapore (“**IDA**”) hereby invites comments from the industry and the public on the proposed Consolidation involving SpeedCast International Limited (“**SpeedCast**”), TA Associates, L.P. (“**TA Associates**”) and ST Teleport Pte Ltd (“**ST Teleport**”). Unless specifically defined herein, all capitalised terms shall have the same meanings ascribed to them in the Code.

PART I: INTRODUCTION

1. Pursuant to Section 32A(2) of the Telecommunications Act (the “**Act**”), IDA has declared every telecommunication licensee which is granted a licence under Section 5 of the Act to provide facilities-based operations (“**FBO**”), to be a designated telecommunication licensee (“**DTL**”) for the purposes of Part VA of the Act¹. DTLs and parties acquiring voting shares or voting power in DTLs (the “**Acquiring Party**”) are required to comply with various provisions relating to such acquisitions under the Act and Section 10 of the Code. Specifically, pursuant to Sub-section 10.3.6 of the Code, a DTL and an Acquiring Party must seek IDA’s approval in connection with any transaction that results in a Consolidation. Under the Code, a Consolidation would occur if an acquisition would result in, *inter alia*, the Acquiring Party becoming a 30% Controller of a DTL, acquiring the business of a DTL as a going concern, or obtaining Effective Control over the DTL.

PART II: PROPOSED CONSOLIDATION BETWEEN ST TELEPORT PTE LTD AND SPEEDCAST INTERNATIONAL LIMITED

2. On 13 November 2015, SpeedCast announced that it had entered into an agreement to acquire ST Teleport (the “**Proposed Transaction**”).² In accordance with Sub-section 10.3.6 of the Code, SpeedCast, ST Teleport and TA Associates (collectively referred to as the “**Applicants**”) must jointly file a Consolidation Application for the Proposed Transaction for IDA’s approval. On

¹ For more information on Telecommunications (Designated Telecommunication licensees) Notification 2012, please refer to the following URLs: http://www.ida.gov.sg/~media/Files/PCDG/Practice%20Guidelines/TCC/TelAct_DesTelLic_Notif2012.pdf and http://www.ida.gov.sg/~media/Files/PCDG/Practice%20Guidelines/TCC/Designated_Telecomm.pdf

² <http://www.speedcast.com/corporate/news/press-releases/563-speedcast-strengthens-its-leadership-in-asia-with-the-acquisition-of-st-teleport> (as seen on 4 March 2016)

3 March 2016, the Applicants jointly submitted a Short Form Consolidation Application (“**Consolidation Application**”) to IDA for approval.

3. The Applicants submitted in the Consolidation Application that the Proposed Transaction is unlikely to substantially lessen competition in any telecommunication market in Singapore. In particular, the Applicants submitted that the Applicants do not directly compete with each other in any telecommunication services segment in Singapore. The Applicants further submitted that they are not significant players in the Singapore telecommunication markets that they participate in. As such, any increase in market share by the Post-Consolidation Entity is likely to be insignificant. Lastly, the Applicants submitted that SpeedCast cannot leverage its overseas operations to affect competition in any Singapore telecommunication market as SpeedCast does not possess any significant market power in these overseas markets.
4. The Consolidation Application includes the Applicants’ non-confidential statement providing a summary of the Proposed Transaction and the Applicants’ assessment of the likely impact of the Proposed Transaction on competition in the relevant telecommunication markets in Singapore. This is appended as **Annex A**.

PART III: INVITATION TO COMMENT

5. Pursuant to Sub-section 10.6(d) of the Code, IDA hereby invites comments from the industry and public on whether the Proposed Transaction as submitted in the Consolidation Application will substantially lessen competition in any Singapore telecommunication market or harm public interest. Respondents are also invited to comment on any other related issues (with factual support and reasoned analysis to the extent feasible) not covered in this document, if they believe such issues are relevant to the Proposed Transaction involving the Applicants.
6. All submissions must reach IDA before 12 noon on 28 March 2016. A softcopy, preferably in Microsoft Word or Adobe PDF format, must be provided. Parties submitting comments should include their personal/company particulars as well as the correspondence address, contact number and email addresses on the cover page of their submission. All comments should be addressed to:-

Director-General (Telecoms & Post)
Info-communications Development Authority of Singapore
10 Pasir Panjang Road
#10-01 Mapletree Business City
Singapore 117438

Attn: Ong Tong San
Cluster Director, Competition and Resilience Development

Please submit your softcopy via email to: **IDA_Consultation@IDA.gov.sg**.

7. IDA reserves the right to make public any written submissions and to disclose the identity of the source. Commenting parties may request confidential treatment for any part of the submission that the commenting party believes to be proprietary, confidential or commercially sensitive. Any such information should be clearly marked and placed in a separate annex. If IDA grants confidential treatment, it will consider, but will not publicly disclose the information. If IDA rejects the request for confidential treatment, it will return the information to the party that submitted it and will not consider this information as part of its review. As far as possible, parties should limit any request for confidential information submitted. IDA will not accept any submission that requests confidential treatment for all, or a substantial part, of the submission.