

**PRESS RELEASE 2019-015**  
**2 October 2019**

## **PCC breaks condo-internet exclusivity deal in 1<sup>st</sup> abuse of dominance case**

The Philippine Competition Commission (PCC) has imposed terms and conditions for Urban Deca Homes Manila Condominium Corporation and its parent company 8990 Holdings, Inc. to comply with the antitrust law, marking the closure of the first abuse of dominance case in the country.

The PCC has approved the terms of settlement, with modifications, proposed by the firms to break the exclusive deal between Urban Deca Homes and its in-house internet service provider (ISP) “Fiber to Deca Homes” in nine (9) projects across the country.

The firms are ordered to immediately cease their admitted misconduct, pay a fine of PhP27.11 million within 30 days, and comply with the terms and conditions of settlement. They shall be monitored regularly for compliance and subjected to further fines and penalties for any breach.

“This is a landmark case for the PCC that successfully resolved to stop an anticompetitive practice, restore competition in the affected market, and set as example to deter other businesses from employing similar exclusive dealings,” said PCC Chairman Arsenio M. Balisacan.

In a Statement of Objections issued in March, the PCC enforcement unit charged the mass housing developer with abuse of dominance for imposing a sole ISP on its unit owners and tenants. Residents claimed they were prevented from applying for other ISPs when the in-house “Fiber to Deca Homes” service was slow, expensive, and unreliable.

“Competition—or lack of it—can be felt at home, at work, and in one’s daily activities. The residents may have chosen Urban Deca as their address, but the condo developer should not limit the choices of residents for other services,” said Balisacan.

Instead of contesting PCC’s complaint, the respondents proposed to correct their anticompetitive conduct through a motion for settlement negotiated from May to



July. The proposed terms were then subjected to public comments in early August before they were submitted to the Commission for final decision.

Although the case started from complaints of residents in Urban Deca Manila in Tondo, the terms of settlement apply to eight (8) other Urban Deca projects in Mandaluyong, Muntinlupa, Bulacan, Cavite, Iloilo, and Cebu.

Abuse of dominance is a violation of Section 15 of the Philippine Competition Act, which prohibits exploitative and exclusionary conduct that substantially lessens competition.

“Let this be a warning to businesses that abuse their market power by elbowing out competitors for their own gain. This case shows that the PCC is serious about addressing anticompetitive practices that have long been considered par for the course in different industries. Unscrupulous businessmen can only expect the PCC to pursue more cases of a similar nature in the future,” Balisacan said.

###

**REFERENCE:**

**Penelope P. Endozo**  
**publicaffairs@phcc.gov.ph**  
**Public Affairs Division**  
**Philippine Competition Commission**