



DETERMINATION OF MERGER NOTIFICATION M/20/039 – CUBE/GTT COMMUNICATIONS

Section 21 of the Competition Act 2002

Proposed acquisition by Cube Telecom Europe BidCo Limited of the network infrastructure business of GTT Communications Group.

Dated 14 January 2021

1. On 23 December 2020, in accordance with section 18(1)(a) of the Competition Act 2002, as amended (the “Act”), the Competition and Consumer Protection Commission (the “Commission”) received a notification of a proposed acquisition whereby Cube Telecom BidCo Limited (“Cube”) would acquire the network infrastructure business from: (i) GTT Communications Inc.; (ii) Global Telecom and Technology Holdings Ireland Limited; (iii) Hibernia NGS Limited; (iv) GTT Holdings Limited; and, (v) GTT Americas LLC., (collectively, the “Sellers”) (the “Proposed Transaction”). The Sellers are part of the GTT Communications Group (“GTT”).
2. Under the terms of a Sale and Purchase Agreement between Cube and the Sellers signed on 16 October 2020 [...] (the “SPA”), Cube will acquire from the Sellers 100% of the issued share capital of several companies, including their respective direct and indirect subsidiaries and related assets held by the Sellers’ group, constituting the Sellers’ network infrastructure operations and business of providing pan-European, North American, sub-sea and transatlantic fibre network and data centre infrastructure services (the “Target Business”).
3. Following the completion of the Proposed Transaction, Cube will have sole control over the Target Business.
4. The business activities of the undertakings involved are:



- Cube is a special purpose vehicle registered in the United Kingdom [...].¹
 - The Target Business constitutes the network infrastructure operations and business of GTT². The Target Business provides Pan-European, North American, sub-sea and transatlantic fibre network and data centre infrastructure services.
 - GTT is a multinational telecommunications group headquartered in the United States and listed on the New York Stock Exchange. GTT provides cloud networking services with a broad portfolio of global services to multinational enterprises with a geographic focus in the United States and Europe. In the State, GTT is active primarily through Hibernia Express (Ireland) Limited, which was acquired as part of Hibernia Networks by GTT in 2017. The network infrastructure of GTT on the island of Ireland was constructed by Hibernia Networks in 2010 (pre-acquisition by GTT) and links data centres in North America to the United Kingdom and Continental Europe via the GTT Atlantic subsea cable.
5. After examination of the notification, the Commission has concluded that the Proposed Transaction falls within the scope of paragraph 2.1 of the Simplified Merger Notification Procedure Guidelines for assessing certain notifiable mergers or acquisitions under section 18(1)(a) of the Act:
- i. None of the undertakings involved in the merger or acquisition are active or potentially active in the same product and geographic markets, or in any market(s) which is upstream or downstream to a market(s) in which another undertaking is active.
6. In light of this, the Commission considers that the Proposed Transaction will not substantially lessen competition in any market for goods or services in the State.

Ancillary Restraints

¹ [...]

² <https://www.gtt.net/us-en>



7. The Share Purchase Agreement contains non-compete and non-solicitation obligations on the Sellers. The duration of these non-compete and non-solicitation obligations does not exceed the maximum duration acceptable to the Commission.³ The Commission considers these restrictions to be directly related to and necessary for the implementation of the Proposed Transaction insofar as they relate to the State.

Determination

The Competition and Consumer Protection Commission, in accordance with section 21(2)(a) of the Competition Act 2002, as amended, has determined that, in its opinion, the result of the proposed acquisition whereby Cube Telecom BidCo Limited would acquire the network infrastructure business from: (i) GTT Communications Inc.; (ii) Global Telecom and Technology Holdings Ireland Limited; (iii) Hibernia NGS Limited; (iv) GTT Holdings Limited; and, (v) GTT Americas LLC. will not be to substantially lessen competition in any market for goods or services in the State, and, accordingly, that the acquisition may be put into effect.

For the Competition and Consumer Protection Commission

Ibrahim Bah
Director
Competition Enforcement and Mergers Division
Competition and Consumer Protection Commission

³ In this respect, the Commission follows the approach adopted by the European Commission in paragraphs 20 and 26 of its “Commission Notice on restrictions directly related and necessary to concentrations” [2005] OJ C56/03. For more information see: [http://eurlex.europa.eu/legal-content/EN/TXT/PDF/?uri=CELEX:52005XC0305\(02\)&from=EN](http://eurlex.europa.eu/legal-content/EN/TXT/PDF/?uri=CELEX:52005XC0305(02)&from=EN)