



## **Regulatory Authority gives the green light on North Rock and Logic**

7 May 2013

The Regulatory Authority has revoked the Emergency Order it issued when it learned of the proposed merger of internet service providers North Rock and Logic Communications. This order was preventing the companies from receiving the ICOLs, or Integrated Communications Operating Licences, they would otherwise have received on 29 April with the rest of Bermuda's communications providers.

Because the merged companies were Bermuda's only residential internet service companies and clearly, therefore, "dominant" in the provision of internet service in Bermuda, the Authority felt it should try to ensure their merger did not stifle competition in this area. However, in the light of new competitive developments in the residential Internet Service Provider market, it proved not necessary to take that further.

The RA will issue an ICOL to Logic only. The ICOL will include the relevant assignment of spectrum used by North Rock Communications Ltd, except that the 902 MHz to 928 MHz coverage that North Rock Communications had in its original licence, but had not deployed, is being withdrawn.

Logic has also withdrawn the request for spectrum made by North Rock Communications Ltd on March 4, 2013.

Authority Chairman Kent Stewart said: "We are delighted with the outcome. This difficulty occurred at least in part because this regulatory regime is so new. It had not occurred to North Rock and Logic, in the excitement of reaching a merger agreement, that the Authority needed to be consulted, and some technical licensing difficulties ironed out, before the merger could go ahead. Logic may now compete freely in the ISP residential market and react to market forces as they may wish.

"I think the whole communications industry understands better now, as a result of this problem, what the requirements of the Authority will be in the future. We believe that there may well be further mergers and consolidations before long, so this has been a useful exercise."