
PRESS RELEASE
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PCC charges condo developer for abuse of dominance in exclusive internet deal

The Enforcement Office of the Philippine Competition Commission (PCC) has filed a case against a condominium developer in Mandaluyong City for limiting its residents to use its in-house exclusive internet service provider (ISP) and preventing entry of competitors.

In its Statement of Objections filed on 29 December 2020, the PCC enforcement unit charged Greenfield Development Corporation (Greenfield Corp.) and its wholly-owned Leopard Connectivity Business Solutions Inc. (Leopard) for supplying exclusive fixed-line internet to the residential units of Twin Oaks Place (TOP) in Greenfield District.

Greenfield Corp. is both property developer of TOP and owner of Leopard Connectivity, with the latter managing the Twin Oaks Place Fiber Network (TOPFN) that provides fixed-line internet in all Greenfield properties, including TOP.

As the investigative and prosecutorial arm of the PCC, the Enforcement Office alleged that Greenfield and Leopard abused their dominance as TOP's property developer and fixed-line internet provider by preventing the entry of other ISPs to provide their services to residents and limiting the market to Leopard as sole ISP, in violation of the Philippine Competition Act.

It added that while TOP marketed itself as a smart home, the same is not reliant on the services of Leopard as an ISP. The automation features of TOP will still work even if a condominium unit is subscribed to another internet provider.

"As more Filipinos shift to working and learning from home under the new normal, property developers competing for the market of digital connectivity should not resort to unduly foreclosing competition and restricting choices for consumers, but compete on fair terms. After all, the competition law does not prevent condominiums to offer their own ISPs, provided other options are made available to residents," said PCC Enforcement Director Orlando P. Polinar.

TOP residents shared to PCC investigators their complaints of having no access to an alternative ISP despite Leopard's higher prices, slower speed, and unreliability of internet connection. Leopard charges P2,699/month for 20 Mbps, which could have fetched 50-75 Mbps from other ISPs. Its 40 Mbps costs P3,500/month, which is almost the same price for 100-150 Mbps in other ISPs.

"Abuse of dominance cases are evaluated with the end view of dismantling exploitative and exclusionary practices in business and ultimately empowering consumer choice. Under the Philippine Competition Act, an entity found to have abused its dominance in the market could face a fine of up to P110 million," said PCC Chair Arsenio M. Balisacan.

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About the PCC Statement of Objections

Under the 2017 PCC Rules of Procedure, the Statement of Objections refers to a document charging the entity under investigation for any violation of the Philippine Competition Act, its implementing rules, or other existing competition laws. It stands as the official complaint of the Enforcement Office as the complainant for administrative cases filed before the Philippine Competition Commission.

(See Executive Summary of the Statement of Objections [here](#).)

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