

Huge request to tribunal denied

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TELECOMS company the Huge Group has been thwarted in its bid to take part in hearings to determine whether MTN will be allowed to acquire an airtime distribution company.

Huge Group had sought permission to participate so it could cross-examine witnesses and present its own evidence in a bid to prove that MTN's move to buy iTalk Cellular was anti-competitive. But the Competition Tribunal yesterday dismissed its application to participate and awarded costs against it.

That is the second blow to Huge. The first was when MTN prevented Huge from buying iTalk itself. MTN already owns 41% of iTalk and

opted to exercise a preemptive right to buy the other 59%, offering R363m for the shares.

Huge Group chairman Anton Potgieter said the tribunal had not yet given a reason for dismissing its application, but he now feared MTN's acquisition was a done deal. He has backtracked on a previous plan to escalate the matter to the Competition Appeal Court if necessary.

If the tribunal only looked at market share, iTalk's claim of less than 2% meant its disappearance would not appear to have any major consequences, Potgieter said. But since there were only three remaining airtime resellers that were not fully controlled by the cellular networks, eliminating one of them reduced the choice to consumers by a third.