



August 27, 2007

PRESS RELEASE
ALLEGED ACQUISITION
OF RURAL CABLE COMPANY BY FLOW

The Broadcasting Commission is advising the public that it has not approved any change of ownership or control of the cable company Matrix Entertainment & Communication Company Limited (Matrix).

Over the weekend, a press statement attributed to Columbus Communications Jamaica Limited (*Flow*) was published in the local newspapers alleging that Matrix had been acquired by *Flow*.

However, the St. James and Hanover licensee has not applied to the Commission for the necessary prior approval as stated in the **Television and Sound Broadcasting Regulations**. Regulation 28 states, "*where there is to be a transfer of ownership or change of person in control of the business, the licensee shall, before the transfer or change is effected, first obtain the approval of the Commission*".

This provision helps to ensure the protection of subscribers by giving the regulator an opportunity to review the arrangements under which the transfer is being made and to satisfy itself about the terms of future operations. Another consideration, in the public

interest, is the need to encourage financial investment in the cable sector, whilst minimising the risk of potential market dominance.

The Commission has written to both Matrix and *Flow* about the legal position and instructed that if there has been any unlawful acquisition, stringent regulatory action will be taken.