

**Meeting with Netflix, 11 July 2022, 16:00**

**Participants:**

**Netflix**

- [REDACTED]
- [REDACTED]
- [REDACTED]
- [REDACTED]

**Commission:**

- Werner Stengg, CAB of EVP Vestager
- Penelope Papandropoulos, CAB of EVP Vestager
- [REDACTED] CAB of EVP Vestager

**Topics: Content delivery, Telecom, Investments, Traffic**

Netflix and the Commission discussed content delivery and the relationship between traffic and investment in networks.

Netflix presented their cooperative approach to efficient content delivery. Netflix believes the relationship with telecom operators is symbiotic, benefitting from each other, and they are interested in a well-functioning ecosystem. The cooperation with telcos is essential for Netflix, as the open internet makes streaming possible. Netflix invests in content and works closely with the operators as they deliver their content.

Furthermore, Netflix underlined that they already contribute to making the traffic efficient, as it makes Netflix work better. They try to distribute content as locally as possible. In addition, they mentioned that growing traffic is an issue, which COVID also demonstrated.

Netflix underlined that investments in the last mile are independent of the traffic and streaming. Netflix highlighted that Europe has high coverage of households connecting to fiber. In addition, they underlined that competition exists, and in some countries, the telco keeps the last mile. The competition drives investment.

In addition, Netflix made it clear that there is no correlation between traffic and cost. When traffic goes up, the cost will not grow. Local regulation can impact the cost. 80% of the cost is access. They also stressed that there is no direct correlation between traffic and revenue, in that intense streaming activity during at a given point in time does not translate into higher income for streamers. Netflix believes the current situation is well functioning and efficient.

The Commission took note of the points raised.