

## The GVH has commenced a proceeding due to a suspected abuse of a dominant position

On 22 July 2014 the Gazdasági Versenyhivatal (GVH – Hungarian Competition Authority) launched a competition supervision proceeding against Sanofi-Aventis Magyarország Zrt. (pharmaceutical company). As the first step of the investigation, the GVH conducted an on-the-spot inspection without prior notification at the headquarters of the undertaking.

Based on the available data, the GVH became aware of the fact that Sanofi-Aventis Magyarország Kereskedelmi és Szolgáltató Zrt. (Sanofi) had refused to conclude a contract concerning the distribution of pharmaceuticals with a pharmaceutical wholesaler undertaking. Sanofi distributes numerous pharmaceuticals that are essential for maintaining a competitive supply portfolio of pharmaceutical wholesalers. It can be presumed that Sanofi has a dominant position on the markets of these pharmaceuticals.

Based on this presumption, it is suspected that when Sanofi is selecting its pharmaceutical wholesalers partners it is adopting a practice that is not based on an assessment of the anticipated and actual economic gains resulting from its business relations, and that this practice is giving rise to - without justification - more disadvantageous market conditions for certain groups of market participants against the incumbent market participants.

The GVH suspects that the undertaking under investigation has presumably violated, by the above-mentioned conduct, the provisions of the Hungarian Competition Act and the Treaty on the Functioning of the European Union with regard to the prohibition of abuse of dominant position.

In accordance with the provisions of the Hungarian Competition Act, the GVH may conduct an unannounced inspection on the premises of an undertaking if it has obtained a preliminary court warrant.

The initiation of the competition supervision proceeding does not mean that the undertaking in question has actually committed an infringement. The proceeding seeks to clarify the facts and to prove that the presumed infringement has been committed. According to the Act these proceedings must be closed within 6 months, however, this time limit can be extended two times by a further 6 months, depending on the complexity of the case.

Case number: **Vj-61/2014.** 

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## **Further information to the press:**

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