



Fines imposed for restrictive practices

The Hungarian Competition Authority (GVH) established that GEO-LOG Környezetvédelmi és Geofizikai Kft. (GEO-LOG), and “GEOSERVICE” Geofizikai, Geológiai és Kútszelvényező Kft. (GEOSERVICE) had breached competition rules by concluding integrated, complex and continuous restrictive agreements in which they rigged their prices and divided the market among themselves when entering the tenders of Mátrai Erőmű Zrt. (MERT) and Árpád-Agrár Zrt. The GVH fined the two undertakings a total amount of 10,750,000 HUF (approx. 35,250 EUR).

The GVH investigated the behaviour of the two undertakings in the tender called by MERT for geophysical measuring operations in the mines of Bükkábrány and Visonta, and in the tender called by Árpád-Agrár Kft. for the complex measuring of thermal stations.

Based on all the available evidence the GVH determined that GEO-LOG and GEOSERVICE had concluded a comprehensive plan to fix prices and divide the market regarding the 2009-2011 MERT tender for the mines of Visonta and Bükkábrány. The two undertakings' agreement aimed to ensure that they would win the MERT tenders in turns, thus they maintained the pre-existing territorial division. Based on the evidence, GEO-LOG and GEOSERVICE matched their pricing, because the caller for bids hired the contractor who offered lower prices for the projects in question. According to the agreement GEO-LOG offered lower prices in the Visonta area and GEOSERVICE in the Bükkábrány area. For this purpose, they contacted each other and consulted about prices before entering their bids.

The GVH determined that the two undertakings had continued the above mentioned practice from 2009 through all the cases in question.

For the revealed infringement the GVH imposed a fine of 3,530,000 HUF on GEO-LOG and 4,410,000 HUF on GEOSERVICE.

In accordance with its leniency policy the GVH reduced the amount of the fines for these undertakings.

The GVH further established that GEO-LOG and GEOSERVICE had fixed prices and divided the market among themselves, during the tender for the complex measuring of thermal stations called by Árpád-Agrár Zrt. in 2009.

Regarding this infringement the GVH imposed a reduced fine of 2,810,000 HUF on GEOSERVICE and waived the fine for GEO-LOG applying the leniency policy.

Based on the evidence available, it could not be established that Mélyfúrás Információ Szolgáltató Kft., “GEO-GENESIS” Műszergyártó- és Kutató Bt. and private contractor Musitz László, had committed a competition law infringement concerning the 2007-2008 and 2012 MERT tenders for the mines of Visonta and Bükkábrány, consequently the GVH terminated its proceeding against these undertakings.

Case number: Vj-66/2012.

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Hungarian Competition Authority

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