

## Gardeners suspected of cartelling

Dawn raids were carried out at four gardening undertakings by the Hungarian Competition Authority (GVH) suspecting that they have shared the market of park construction in Budapest since 2004.

Dawn raids were carried out by the GVH on 31 March 2009 at the premises of Főkert Parkfenntartó- Kertészeti és Szolgáltató Kft., Garden Kertészeti és Erdészeti Szolgáltató Kft., Lián Kertészeti Kft. and Pannon Park Forrest Parkfenntartó és Parképítő Kft. Based on the information available it can be assumed that since 2004 the four undertakings have concluded agreements in public procurement procedures announced by Budapest district local governments and/or by the undertakings owned by them for park construction (including park- and playground building, construction, the planting and maintenance of avenues, but it does not include the procurement and installation of playground equipment) that were capable of influencing the outcome. The preliminary agreements covered the allocation of main- and subcontractor positions and the person of the prospective winner. The presumed agreements also included that the bids of the undertakings being part to the agreements offer prices higher than those of the prospective winner.

The GVH may conduct on spot inspections without any preliminary notification based on the Competition Act. Pursuant to the provisions of the Competition Act, the inspections are subject to the attainment in advance of a judicial authorisation.

The initiation of the competition supervision proceeding does not mean that the undertakings in question actually committed the infringement. The proceeding targets the clarification of the facts and thus to prove that the infringement assumed has been committed. According to the Act such proceedings must be closed within 180 days, however this time limit can be extended two times by further 180 days each, depending on the complexity of the case.

Case number: **Vj-15/2009**.

Budapest, 30 April 2009

Hungarian Competition Authority Communication Group

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