



GAZDASÁGI
VERSENYHIVATAL

Car polishers suspected of cartelling

The Hungarian Competition Authority (hereinafter GVH) carried out dawn-raids at several undertakings interested in car polishing. The undertakings concerned are suspected of regularly harmonising their prices on car polish materials and services.

On 16 February 2010, the GVH carried out dawn-raids at the premises of 3M Kft., Alami Kft., Auto Finish Kft., Autocolor Kft., Duplakk Kft., Ergolakk Kft., Kaméleon Mix Kft., Servind Kft., Allianz Hungária Insurance Co., Generali-Providencia Insurance Co., Aegon Hungary General Insurance Co., Eurotax Glass's Kft. and the Hungarian Association of European Automobile Services.

The proceeding initiated by the GVH for alleged violation of the prohibition of agreements restricting economic competition, has also been extended, besides the undertakings mentioned, to Akzo-Nobel CR (auto painting trading co.), Audatex Hungary (automobile software engineering company), the Hungarian Association of Automobile Dealers and the Hungarian Association of Varnish Traders.

According to the data available to the GVH, it can be assumed that the Hungarian car polish importers have been harmonising their practices in connection with increases in the price of car polishing and other related materials, and the level of the prices of car services to be submitted for reimbursement to car insurance companies. According to the suspicion of the GVH, they have been pursuing the restrictive agreement since 2003 at least. The parties to the case have been operating the cartel at the meetings of the Board of Car Polishers (Fényezési Tanács) taking place one or two times a year. The undertakings have determined price indexes in accordance with the common agreement concluded with the insurance companies and the professional interest groups and acted upon the agreement in the course of their practises. Based on the information available, the operation of the Board of Car Polishers run by the car polish importers, insurance companies and professional interest groups may also be capable of decreasing the competitiveness of the new undertakings entering the market and probably even their entries.

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 have 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-2/2010.**

Budapest, 17 February 2010

Hungarian Competition Authority
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