



GAZDASÁGI
VERSENYHIVATAL

The GVH suspects cartel activity

On 9 May 2011, the Gazdasági Versenyhivatal (GVH – Hungarian Competition Authority) launched a competition supervision proceeding against Hungaro Flotta Kereskedelmi és Szolgáltató Kft, NAV N GO Kft, Media Markt Saturn Holding Magyarország Kft, EURONICS Kereskedelmi és Szolgáltató Kft., VÖRÖSKŐ Kereskedelmi és Szolgáltató Kft, BRAVOTECH Kereskedelmi és Szolgáltató Kft, FŐFOTÓ Kereskedelmi és Szolgáltató Kft, Speed Hungary Kft, Extreme Digital Zrt, METRO Kereskedelmi Kft and Office Depot Hungary Kereskedelmi és Szolgáltató Kft. The investigation was initiated with an unannounced inspection held by the GVH on the premises of the undertakings under investigation.

According to the available data, Nav N Go Kft and Hungaro Flotta Kft have concluded exclusive distribution agreements concerning a presumably determined time period with regard to certain navigation software products. In these agreements Nav N Go Kft undertook to eliminate its sales towards third parties, and consequently the undertaking was obliged to distribute the above-mentioned products during the determined time period to only Hungaro Flotta Kft. Moreover, the available market information indicates that approximately for a one-year period some navigation software products developed by Nav N Go Kft, could only be purchased if Navon branded products were bought at the same time.

The products of Hungaro Flotta Kft could not be obtained for a cheaper price from online shops than in retail chains and technical stores. In addition to this, the prices of the products concerned were set in a slightly different way to the prices of the competitor's products. One reason for the above-mentioned phenomena could be that the undertakings have presumably agreed on resale price maintenance.

This conduct is likely to be supported firstly, by Hungaro Flotta Kft, and secondly by the advantaged retail commercial partners of the undertaking.

The GVH suspects that the undertakings under investigation have presumably violated, by this conduct, the provisions of the Hungarian Competition Act with regard to the prohibition of restrictive agreements.

The GVH is empowered by the Competition Act to inspect premises without any preliminary notification. Pursuant to the provisions of the Competition Act the inspection of premises is 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 seeks to clarify the facts

and to thus 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 further 6 months, depending on the complexity of the case.

Case number: **Vj-28/2011**

Budapest, 9 May 2011

Hungarian Competition Authority
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