



ANTITRUST Briefing – HCC 2016 Rundown

March 22, 2017

In 2016, the Hellenic Competition Commission's (HCC) intense investigatory activity was reflected in nine (9) Statements of Objections (SOs), including the one concerning the allegedly perennial cartel in the construction sector spanning over a period of 27 years and involving the entire sector and many foreign players.

During the past year, the HCC diversified its attention into various sectors and types of violations. An evident prioritization of cartel infringements, with an emphasis in public procurement markets, was coupled with a focus in the energy sector and privatizations, together with the continuation of the consolidation of the super-market sector.

An apparent drop in the number of completed cases is more likely due to resource allocation rather than a deliberate softening in enforcement. In particular, the HCC accepted commitments by the incumbent energy providers DEI (electricity) and DEPA (natural gas) and cleared eight (8) notified acquisitions across various industries, including the Phase II clearance of the Piraeus Port Authority's (OLP) acquisition by Chinese shipping giant COSCO and the acquisition of 14 regional airports by the German transport company FRAPORT.

In the area of advocacy, the HCC introduced a Settlement procedure for cartel infringement (which you can read all about [here](#)) and announced adjustments to its point system for the prioritization of antitrust cases.

ANTITRUST DECISIONS

Commitments by the Public Power Corporation (DEI) addressing abuse of dominance concerns with regard to the supply of electricity to Aluminium of Greece (HCC 621/2015)

A long-standing and episodic standoff between DEI (incumbent producer and supplier of electricity in Greece) and Aluminium of Greece (ALUMINIUM) unfolded before the HCC in July 2015.

ALUMINIUM is a manufacturer of aluminium, a subsidiary of the MYTILINEOS Group and DEI's biggest high voltage electricity consumer, by far. Until 2006, it purchased electricity pursuant to a preferential contract with DEI dated in 1960. DEI terminated this contract and placed ALUMINIUM under a standard high voltage category of electricity consumers, depriving it of its favorable

terms of supply. As a result of two consecutive state-imposed price increases in the 2007-2008 period, the two parties resorted to RAE's¹ arbitration to solve a technical dispute, which led them, during the years that followed, to negotiating new contract terms. In 2013, DEI's initial proposal was rejected by RAE's arbitration, which adjusted the contract terms in favor of ALUMINIUM. DEI responded by applying for annulment of the decision and by terminating the existing supply arrangement with ALUMINIUM. It alleged that the new supply terms constituted an illegal state aid, and invited ALUMINIUM to agree on a standard non-individualized high voltage supply contract. ALUMINIUM refused and filed a

¹ RAE (Regulatory Authority for Energy) is Greece's independent energy regulator. For more on RAE and the structure of Greece's energy markets, visit www.rae.gr.



complaint before the HCC alleging abuse of dominance. Two weeks later, DEI rescinded its termination notice and resumed the negotiations with ALUMINIUM, but claimed that RAE's arbitration was manifestly erroneous and resulted in below cost pricing. DEI was then charging based on the earlier (rejected) offer, whereas ALUMINIUM paid the bill up to the amount of RAE's arbitration terms, thus nurturing a very substantial economic dispute over the resulting difference. In early 2014, DEI adopted a rebate scheme for each category of customers which resulted in ALUMINIUM receiving a 15-25% rebate, but still no common ground was achieved in the negotiations that followed. One year later, DEI decided to cease the supply of electricity to ALUMINIUM, but the incumbent transmission operator (ADMIE) refused to execute it, claiming a lacuna in law. Meanwhile, the European Commission rejected DEI's assertions regarding illegal state aid.

ALUMINIUM accused DEI before the HCC of constructive refusal to supply, due to its several attempted termination notices, and of unfair (excessive and discriminatory) pricing, particularly on the grounds of RAE's arbitration.

The HCC acknowledged that DEI was in all probability dominant in the production and supply markets for electricity (both wholesale and retail), that ALUMINIUM was dependent upon DEI's supply and that in case of termination, it would suffer irreparable damage. It also noted that PROTERGIA (MYTILINEOS Group) was DEI's biggest competitor in Greece, and that the alleged practices could be construed as intimidating the Group into exclusion from another market. As regards the refusal to supply allegations, the HCC found that DEI's attempt to cease the supply of electricity was very likely to constitute a measure disproportionate to its goal, taking into account in particular that the alleged debts owed by ALUMINIUM were not yet asserted by a court or based on a valid agreement. DEI should have therefore waited for the conclusion of the negotiations or of any judicial and extrajudicial procedures. Concerning the unfair pricing allegations, the HCC reiterated the principles of

fair, objective, and reasonable treatment of customers, which, in its view, should guide DEI to provide ALUMINIUM with an individualized rebate scheme, and not to place it under a standard category of consumers without even awaiting for a court judgment in its favor.

Consequently, DEI offered amended commitments, based on which it would rescind its cease-of-supply notice, resume negotiations with ALUMINIUM on pricing, and abstain from similar practices until the parties concluded their negotiations or resolved the pricing dispute through other means. The HCC accepted the commitments, considering that they would allow the parties to negotiate reasonable pricing terms in good faith within a period of three (3) months, without risking any serious damage to ALUMINIUM's operation or to the public interest.

In accepting commitments by an incumbent energy provider enjoying market power close to a monopoly for its customers and a monopsony amidst its suppliers, the HCC gave particular weight to the characteristics of the Greek electricity markets which, albeit being immature, have recently shown '*intensive signs of successful efforts to be liberalized*' and of materializing efficiencies. In October 2016, the parties announced that they agreed on a 33% rebate scheme for the supply of ALUMINIUM. Charges may increase in case the aluminium stock rates exceed a certain amount.

DEI is the third incumbent energy supplier that suffers from ALUMINIUM's complaints and the HCC's intolerance to abusive practices in the energy sector. In 2012, DESFA was fined for not complying with ALUMINIUM's request to access and use the natural gas transmission network in order to receive natural gas orders from a third-party source (HCC 555/VII/2012). The same case resulted in DEPA committing before the HCC to adopt several measures with a view to liberalizing the Greek supply market of natural gas (HCC 551/VII/2012).

Recalculation of GERMANOS' fine (HCC 625/2016)

In late 2014, the HCC published its 580/VII/2013 decision, finding that GERMANOS, a Deutsche Telekom subsidiary which runs a franchise of electronic goods stores, was applying a variety of anticompetitive practices to its franchise network, including (a) resale price maintenance during the years 1990-2012, (b) restriction of supplies between franchisees, and (c) non-compete obligations post-expiration of the franchise agreement. GERMANOS appealed the decision and the Athens Administrative Court of Appeals upheld the HCC's decision with respect to the violations but referred the case back to the HCC (Judgment 527/2016), with respect to the chapter concerning the sanctions imposed, pointing out that the fine should be calculated separately for each infringement.

The HCC convened in March 2016 in order to comply with the court's ruling. It made a distinction between the gravity of each infringement, stating that resale price maintenance was the most serious of the three, followed by the restriction of supplies, and, lastly, the non-compete obligations. It also asserted that the first two infringements did produce an actual anticompetitive effect in the market, even though it could not be accurately determined. No other distinction was made between the infringements in terms of duration, economic benefit, or geographic extent.

The HCC concluded in imposing the exact same amount of fine (€ 10,251,548) as in its initial decision, except that this time it imposed separate fines for each violation.

HCC accepts revised commitments by DEPA (HCC 631/2016)

In 2012, as a result of ALUMINIUM's complaint against DEPA, the incumbent natural gas supplier, the company offered commitments to the HCC in order to close the case. The commitments are continuously subject to review and update, reflecting the ongoing liberalization of the Greek energy market.

Initially, the commitments included: (a) unbundling DEPA's supply contracts with the relevant transport services, (b) publicly auctioning significant quantities of natural gas, (c) allowing customers and competing suppliers to use DEPA's unused transmission capacity at entry points, and (d) offering revised contractual terms which undercut consumers' dependence on DEPA's supply. In 2014, DEPA offered complementary commitments, in order to increase transparency and access to its public e-auctions.

In October 2016, DEPA offered again revised commitments aiming at improving its gas release program and although the full decision has not yet been published, the HCC disclosed its general content. Firstly, DEPA shall gradually increase the annual quantities auctioned, so as to reach, in 2020, 20% of its total supply of the previous year in Greece; this shall be subject to review in case DEPA's market share drops below 60%. Secondly, in the entry point of the Greek-Bulgarian border, DEPA committed to increase the unused transmission capacity allocated to third parties to 67%. Thirdly, DEPA undertook to provide one-year supply contracts to its customers and to enter into contracts of a duration exceeding two years, only in case customers purchases less than 75% of their supply needs from DEPA.

Eight days after the revised commitments were disclosed, the HCC announced that, pursuant to an SO issued concerning DEPA's commitments, it would convene in late 2016 in order to assess the company's compliance to the commitments framework. No decision has been issued to date.

MERGERS & ACQUISITIONS

In 2016, the HCC cleared two privatizations which are crucial to Greece's current bailout program. Amongst them was the acquisition of the Piraeus Port Authority by COSCO, which was cleared in Phase II with minor commitments by the Chinese company.

The HCC also cleared two acquisitions in the super-market sector, two acquisitions by major European plastic company RAVAGO, VASSILAKIS' Group expansion in the distribution of KIA and HYUNDAI, and the Athens HILTON sale to a Greco-Turkish JV.

METRO/VEROPOULOS (HCC 623/2016) and VASSILOPOULOS/KANAKIS (HCC 624/2016)

The HCC continued its control of super-market takeovers with the clearance of the acquisitions of VEROPOULOS by METRO and KANAKIS by VASSILOPOULOS in early 2016.

As a result of the former (January 2016), two competing super-market chains, namely MY MARKET and VEROPOULOS, with presence in the prefectures of Attica, Boeotia, Ioannina, Corinth, and Larissa, will tie up under one brand. METRO claimed that the acquisition shall bring about significant economies of scale, investments, cost reductions, and synergies, which will benefit the consumer and allow a more competitive pricing policy. The HCC focused on the local geographical retail markets defined as a 10' radius by car in cities and 30' in rural areas, where an overlap would lead to a market share ranging between 35-40% and where the increase in the acquirer's market share would exceed 5%. The authority finally cleared the acquisition in Phase I, given that the total market share of the two chains in the retail market of super-market goods shall not exceed 25% in any specific geographic market, while in Greece it shall not go beyond 10%. The target company recently exited the cash & carry market and the combined entity did not pose a threat to competition in the procurement market.

The VASSILOPOULOS/KANAKIS acquisition (March 2016) secured the entry of the AB

Vassilopoulos chain in the market of Salamis island. The HCC cleared the transaction in Phase I bearing in mind that, the activities of the two undertakings did not overlap in the relevant geographic retail market of super-market goods (Salamis), actual and potential competition was strong, while in the procurement market KANAKIS' share was minimal. Additional elements such as the opening of many competing outlets and the absence of noteworthy legal or other barriers to entry in procuring licenses for new outlets, favored the clearance of both mergers.

Acquisition of 14 regional airports by FRAPORT (HCC 626/2016)

On April 7 2016, the HCC announced the clearance of the Concession Agreements entered into by the FRAPORT Consortium and the Hellenic Republic Asset Development Fund (HRADF) for the upgrade, maintenance, management, and operation of the (1) Thessaloniki, (2) Corfu, (3) Chania, (4) Zante, (5) Cephalonia, (6) Aktion (Preveza & Lefkada), (7) Kavala, (8) Rhodes, (9) Kos, (10) Santorini, (11) Mykonos, (12) Mytilene, (13) Samos, and (14) Skiathos airports. Based on the press release, clearance was granted because the notified transaction did not raise serious doubts as to its compatibility with merger control rules in the relevant markets for the granting of airport management and operation concessions through tenders, the management and operation of airport

infrastructures (airport infrastructure services, ground-handling services and associated commercial services), and the provision of airport IT software. The decision's full text has not been published yet.

Acquisition of Piraeus Port Authority (OLP) by COSCO (HCC 627/2016)

In 2002, the publicly listed PPA ('OLP') entered into a Concession Agreement with the Greek State, gaining the exclusive right until 2052 to exploit all buildings, establishments, and other infrastructure of Greece's most historic and commercial port, comprising of three Container Terminals. Six years later (2008), OLP granted Chinese state-owned giant China Ocean Shipping Company (COSCO) Group the right to exploit Container Terminals II and III, maintaining Container I for itself.

The only Phase II clearance of 2016 published by the HCC concerned the acquisition of sole control of OLP, through the sale of 51% of OLP's share capital by the state owned asset development fund of Greece ("HRADF") to COSCO. The agreement between the parties also stipulated that, upon realizing a series of investments in the port's infrastructure, COSCO shall obtain an additional 16% of OLP's shares. Consequently, the transaction under review by the HCC would eliminate the intra-port competition that originated in the 2008 deal, and provide COSCO with a 60-65% market share in the relevant market of hinterland container terminal services in mainland Greece, a 15-25% market share in the relevant market of transshipment container terminal services in the eastern Mediterranean and a market share not exceeding 17% in the vertically affected market of container liner shipping in the route of the Mediterranean and countries outside the EU (or countries in Asia), deriving from the participation of COSCO in the CKYHE shipping alliance.

The HCC juxtaposed, on the one hand, two comprehensive studies conducted by a consultancy firm and the Foundation for Economic

& Industrial Research (IOBE) which demonstrated how the acquisition would benefit the port's development and the Greek economy, and on the other hand, the opposing views of several undertakings, including the Thessaloniki, Volos, and Lavrio Port Authorities (OLTH, OLV, and OLL). The HCC noted that the concentration under review was part of Greece's privatization obligations towards its creditors. It then acknowledged that COSCO's market share in the hinterland services (60-65%) is an indicator of a dominant position, with OLTH's market share (second largest) ranging in the 25-35% area. However, in examining the concentration, the HCC adopted a forward looking and predictive policy by taking into consideration future developments in the affected markets which are expected to influence their structure. For example, based on a relevant master plan put forward by the HRADF, the HCC pointed out that OLTH is also set to benefit from private infrastructure investments in the upcoming years, all of which the potentially dominant COSCO will not be able to disrupt. On the contrary, COSCO's very own investments in the railway network were even found to have potential benefits for OLTH as well. As to COSCO's growing market shares in the recent years, the HCC recognized that this would not be pertinent to the acquisition of OLP, but rather to the declining negative prospects in profit-making, investments, and market shares of OLP. Also, the HCC noted that, in principle, there will be a disincentive for COSCO to increase prices for hinterland container terminal services which even today are similar to those applied by OLP, because this is likely to shift its customers away to land transportation or to other ports. In addition, the HCC took into consideration that the port's biggest customers in transshipment container services, which forms the majority of the port's turnover (international carriers-shipping agents-freight forwarders and logistics agents as well as end-customers), are considered price setters due to their substantial negotiating power. For similar reasons, with respect to the effect of the concentration in the vertically affected market of container liner shipping, in which COSCO holds a 17% market share together with other 4 liners, the HCC did not consider it likely that the new

combined entity could restrict access of competing carriers to the port's services. This was due to the fact that the cost of stevedoring services represents a small part of the overall shipping cost, and the scene around shipping liner alliances is volatile with two new alliances forming in April 2017.

Furthermore, the HCC discerned allocative efficiency gains from the takeover, in the form of considerable economies of scale (e.g. increase of berthing 'windows' for 'mother' ships) and cost reductions that will result from the joint management of all three container terminals in the port of Piraeus. Dynamic efficiency gains were also identified from the joint exploitation of advanced knowhow, software, and telecommunications.

Following the practice of the European Commission in similar cases, the HCC also examined the 'counterfactual' for the assessment of the proposed concentration and indicated the absence of a second binding financial offer and the fact that OLP's competitive pressure was been eroded for reasons unrelated to COSCO and its strong position in the market (particularly the hinterland market). The probability of coordinated effects resulting from the merger was also deemed low; given that the two major competitors (OLP & OLTH) maintain their positions in the market, there are no recorded symmetries in market shares, and transparency in the hinterland market will remain high.

In order to soothe any concerns arising from the acquisition's implications in competition, COSCO offered (and the HCC accepted) additional commitments to the ones contained in the concession agreement with the HRADF purporting to ensure non-discriminatory access to the port's infrastructure and hinterland services, namely to:

- (a) Refrain from any exclusivity clauses in its agreements for hinterland container terminal services; and
- (b) Maintain current prices for hinterland services in Container Terminal I until the end of 2017, and in case it decides to increase the prices in 2018, to announce it before mid-2017.

The clearance of the acquisition, subject to the above commitments, was announced in June 2016.

RAVAGO acquisitions of DELTA CHEMICALS and PENTAPLAST (HCC 629/2016 and 634/2016)

RAVAGO is a Luxembourg-based company active in the market for the distribution of chemical and plastic products. Its Greek clientele is active in the car, electric devices, wire, cable, and packaging industries. Pursuant to the first merger control case of the year, RAVAGO sought to have the HCC clear its acquisition of the sole control of DELTA CHEMICALS, an Athens-based company. DELTA purchases chemical and industrial raw materials from undertakings all over the world and resells them in Greece and other Balkan countries, through its warehouse in Thessaloniki. The HCC, in a Phase I clearance, confirmed in September 2016 that there was no substantial change in the structure of the affected market resulting from the respective acquisition.

RAVAGO subsequently acquired sole control over PENTAPLAST, a Greek company that also distributes plastic and rubber products. The HCC announced the transaction's clearance in December 2016, under a reasoning which was rather similar to the RAVAGO/DELTA decision.

VASSILAKIS acquisition of KIA and HYUNDAI distributors in Greece (HCC 632/2016)

The VASSILAKIS Group includes a subsidiary which is the official authorized SEAT distributor in Greece and is also active in the wholesale and retail sale of passenger cars, spare parts and repair services under the brand names of OPEL, VOLVO, SEAT, SAAB, FORD, FIAT, MITSUBISHI, and HONDA. Members of the P&R DAVARIS Group, namely AUTODEAL and

HYUNDAI HELLAS, are the exclusive importers and distributors of KIA and HYUNDAI in branded passenger cars, spare parts and repair services in Greece, and the companies over which VASSILAKIS sought to acquire sole control (70% of share capital), through its subsidiary (DERASCO).

In October 2016, the HCC cleared the acquisition in Phase I taking into account the strong competitive pressures exerted in the car distribution markets, and that in no relevant markets would the post-acquisition combined market share of the VASSILAKIS Group exceed 15%, save for the wholesale market of new "mini" cars (category A), where it would range in the 15-20% area. However, even in this particular market, the HCC noted that the *delta* in the HHI index would be well below the area of concern for competition, also given the number of competitors in the market. It is also worth noting that with respect to the market of long and short-term leasing where VASSILAKIS is also active as

HERTZ's franchisee in Greece, the HCC did not see any danger for VASSILAKIS to endeavor to limit the supply of KIA and HYUNDAI vehicles to other car rental companies nor for HERTZ to refrain from being supplied other car brands, as both would ultimately harm the Group's commercial interests.

Acquisition of Hilton Athens (HCC 633/2016)

In December 2016, the HCC announced the clearance of the sale of 97.27% of IONIAN HOTEL ENTERPRISES, owner of the HILTON Athens hotel. The shares were sold by ALPHA BANK to HOME HOLDINGS, a company jointly owned by DOGUS (major Turkish conglomerate) and TEMES of the Konstantakopoulos family (operator of the Costa Navarino resorts). The decision's full text has not yet been published.

DEVELOPMENTS IN ADVOCACY

Settlement procedure introduced (HCC 628/2016)

In July 2016, the HCC announced the details of its newly introduced settlement procedure which shall be available to parties involved in horizontal cartel cases. Upon admitting involvement and waiving certain procedural rights, parties settling are provided with a 15% fine reduction and acquitted from criminal sanctions provided in Law 3959/2011 on the protection of free competition. Although modeled after the EU equivalent procedure, under the Greek scheme, application for settlement can also be made after servicing of the SO to the parties. You can read all about the procedure on our relevant [briefing](#).

On February 3 2017, the HCC announced that the procedure was successfully applied in the case concerning horizontal price-fixing between the retail stores owned by the Hondos brothers (see above) and is still pending decision on the bid rigging cartel in the construction sector.

Adjustments to the quantification criteria used in the prioritization of cases (HCC 616/2015)

In 2012, the HCC announced a point system, based on which it regulates the prioritization of all antitrust cases handled by the Directorate-General (HCC 539/VII/2012). In March 2016, the HCC announced certain changes to its point

system, re-quantifying the importance in cases concerning an important unresolved legal issue, whereas older cases, where the HCC's right to impose a fine is time-barred or the issue has been adequately dealt with, receive negative points. The new point system highly prioritizes the

investigation of practices having a systemic effect on crucial sectors of the economy and is further aligned with the recommendations of the European Competition Network.

The HCC announced the following adjustments:

Criterion	Points in 539/VII/2012	Points in 616/2015
Horizontal cartel/ Abuse of dominance case	2	2
Vertical restraints case	1	1
Practices affecting markets of consumer goods and services of greater social importance	1	1
Practices affecting the whole country	2	2
Leniency application	2	2
Sufficient evidence	1	1
Practice pending/ Recidivism	1	<u>0</u>
Important legal issue/ Legal certainty considerations	1	<u>2</u>
Right to impose fine is time-barred	0	<u>-3</u>
Case already handled and/or issue is already being dealt with	0	<u>-3</u>

Procedures which are exempted from the above system include concentration notifications, manifestly unfounded complaints, applications for interim measures, opinions, regulatory

interventions, sector inquiries, cases of non-compliance with structural remedies and commitments, and cases of non-cooperation or obstruction of investigations.

UPCOMING DECISIONS

on SOs issued in 2016

15 February – Cartel in the insurance sector

In 2009 AUDATEX HELLAS, an insurance e-estimator software operator, and its shareholders, four (4) leading insurance companies, namely ETHNIKI, AGROTIKI INSURANCE, INTERAMERICAN, and GROUPAMA, were fined by the HCC a total of € 32.6 mil. for allegedly fixing hourly rates for repair services in the case of car accidents involving insured vehicles, payable by the insurance companies using the Audatex software to create repair estimates. The administrative courts subsequently annulled the

case on typical grounds and referred it back to the HCC for a new ruling. After several hearings in October, the HCC's decision is currently pending.

16 February – Vertical restraints in Theocharakis' distribution network of NISSAN

K.S. CHOLIS, a NISSAN authorized dealer, filed a complaint before the HCC against THEOCHARAKIS (official NISSAN distributor in Greece), NISSAN EUROPE, NISSAN INTERNATIONAL, and other companies of the Group, alleging anticompetitive vertical restraints. The HCC convened in March 2016 in order to

decide whether to accept the commitments offered by THEOCHARAKIS. The commitments are purporting to address the concerns raised by the SO regarding an alleged resale price maintenance scheme in spare parts and repair services, refusal to provide technical information on NISSAN cars to independent service providers, obligation to disclose leasing terms to THEOCHARAKIS (2003-2005), restriction of supply as to non-genuine parts (1998-2000) and an unlawful non-compete obligation (1998-2000). The HCC's decision is currently pending.

17 May – Bid rigging cartel in the Construction sector

Dawn raids conducted by the HCC in 2013 led to leading construction companies ELLAKTOR, J&P AVAX, GEK TERNA, AEGEK, TECHNICAL OLYMPIC (leniency applicant), and INTRAKAT being accused of collusion regarding tenders for public infrastructure projects. According to the SO, the cartel allegedly spanned over a period of 27 yrs. and concerned construction tenders for major highways, underground, suburban, and intercity railways, and PPP projects. Based on the evidence gathered in the investigation, the implicated construction companies allegedly coordinated their business conduct by submitting cover bids, suppressing bids in return for monetary compensation, fixing the level of bids and agreeing to execute sub-contracts before submitting their respective bids and by withdrawing from bidding in return for jointly executing the respective works. The aforementioned companies have been participating in negotiations with the HCC since September in an attempt to settle the case, pursuant to the recently introduced [settlement framework](#) which allows for settlement talks even after an SO has been served. In addition, the SO implicates more than 20 Greek companies comprising of almost the entire Greek construction sector for high value tenders and other European players including FCC, VINCI, HOCHTIEF SIEMENS, SALINI, SELI, TADEI, IMPRESA, VAN OORD, RIZZANIE and ALSTOM, whose case is

expected to be heard by the HCC within the course of the following months.

1 July – Alleged exploitative abuses by the operator of parking lots in Makedonia Airport

CARGO SERVICE, operator of the parking lots in Thessaloniki Airport "MAKEDONIA", was accused by KEPKA (a consumer protection NGO) of abusing its dominant position through excessive pricing. The Hellenic Civil Aviation Authority (YPA) was also accused of facilitating these practices. According to the SO issued, the allegations were not substantiated and YPA does not constitute an undertaking. The hearing before the HCC's Plenary took place in September and the decision is currently pending.

14 July – Cartel in the wholesale and retail distribution of luxury cosmetics

Following complaints by Greek retailer NOTOS COM, the HCC initiated an ex-officio investigation in the wholesale and retail markets of luxury cosmetics. According to the SO, alleged anticompetitive agreements between luxury cosmetics distributors ESTEE LAUDER HELLAS, GEROLYMATOS, L'OREAL, SARANTIS, CHRISTIAN DIOR, and NOTOS, had been entered into setting a uniform level of discounts and indirectly fixing the reselling prices by their retailers. In addition, the SO alleged horizontal and vertical agreements between nine (9) Hondos Center franchisees (leading retailers of mass and luxury cosmetics), each owned by different siblings of the 'Hondos family', aiming to set uniform prices in the market of luxury cosmetics.

The hearings regarding the first case (distributors) took place in November-December and the decision is currently pending.

In the second case, all but one Hondos franchisees involved settled the case with the HCC (February 3, 2016), admitting to horizontal price-fixing from June 2003 to June 2006, in what became the first successful application of the settlement procedure in Greece (HCC 636/2017).



Reduced by 15%, as a result of settlement, the fines imposed totaled € 1,053,595. The decision for the non-settling company is pending.

18 October – Cartel in the supply of hemodialysis filters and arterial and venous lines

Pursuant to a relevant complaint against suppliers of hemodialysis filters, the HCC initiated in 2011 an ex-officio investigation on the procurement process of such products to public hospitals and their prices, in the context of which it conducted dawn raids in the premises of the suspected undertakings. The SO issued alleges that filter suppliers fixed prices and other trading conditions, and limited supply. The hearings took place in January-February 2017 and the decision is currently pending.

25 October – DEPA's revised commitments

The SO summoned the HCC's Plenary, which convened in late 2016, in order to assess DEPA's compliance to the commitments framework that was established in 2012 and subsequently amended in 2014, 2015 and 2016 with respect to the electronic auctions of natural gas. The decision is currently pending.

16 November – Alleged bid-rigging in Pella construction tender

Following an anonymous complaint, the HCC conducted dawn raids at the premises of construction companies which, based on the SO, rigged a tender for the rehabilitation of landfills in the Pella Prefecture during 2010 and 2011. The hearings took place in early January 2017 and the decision is pending.

15 December – Vertical restraints in Roma Pizza's franchise network

The HCC's investigation of Roma Pizza's franchise network was initiated pursuant to complaints of certain of its franchisees for anticompetitive vertical restraints in their respective agreements. According to the SO, Roma Pizza imposed, for a considerable period of time, resale price maintenance, single branding, non-compete obligations post-termination, and restrictions of active sales to consumers and parallel supply between franchisees. The hearing before the HCC's Plenary started in late January 2017 and the decision is currently pending.



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