



HELLENIC REPUBLIC
HELLENIC COMPETITION COMMISSION

Athens, 15 July 2010

PRESS RELEASE

Decision concerning infringements of Articles 1 of Law 703/77 and Article 101 TFEU by the retailer Carrefour Marinopoulos S.A. in connection with the franchise network for the operation of ‘5 Marinopoulos’ retail stores

Following complaints by franchisees, the Directorate General for Competition launched an investigation into alleged infringements of Articles 1 and 2a of Law 703/77, as well as of Article 101 TFEU, in connection with the franchise system for the operation of «5Μαρινόπουλος» retail outlets. A statement of objections was issued in January 2010. The designated Chamber of the Hellenic Competition Commission convened and heard the case in April and May 2010.

Today’s decision (**Decision No. 495/VI/2010**) finds that **Carrefour Marinopoulos** infringed competition rules by **imposing resale price maintenance** and **restricting cross-supplies between members of the franchise network (coupled with exclusive supply obligations)**. In particular, the Hellenic Competition Commission concluded that specific conditions in the franchise agreement amounted to resale price maintenance, by requiring franchisees to follow Carrefour’s recommended prices. In addition, the operation of a joint IT system, which formed an integral part of the network, rendered the management of prices by the franchisees difficult and time-consuming in practice, thereby facilitating price rigidity.

The Hellenic Competition Commission imposed **finest totaling 12.5 million euros** (twelve million five hundred thousand euros) on Carrefour Marinopoulos for the said practices. Moreover, it asked Carrefour Marinopoulos to refrain from the infringements and to amend (or withdraw) the restrictive contractual terms. Finally, it threatened the imposition of a periodic penalty payment of **10 thousand euros** in case of non-compliance.