



Hellenic Competition Commission

Athens December 22nd ,2020

PRESS RELEASE

Subject: Ex officio investigation and Examination of the complaint of the company INTERMED SA against company FREZYDERM SA, for any violation of articles 1 and 2 of Law 3959/2011 and articles 101 and 102 of the TFEU, in the relevant market of production and marketing of cosmetic products, personal and baby care products, "parapharmaceuticals" and other related products.

The plenary session of the Hellenic Competition Commission (hereinafter the “HCC”) will convene on February 4th , 2021, to examine on the basis of the related Statement of Objection, a) the ex-officio investigation of the General Directorate of Competition and b) the complaint of INTERMED SA, against the company FREZYDERM SA, for possible violations of articles 1 and 2 of law 3959/2011 and articles 101 and 102 of the TFEU, in the relevant market for the production and marketing of cosmetics, personal and baby care products, “parapharmaceuticals” and other related products.

According to the Statement of Objection, there was no finding of any by object restrictive practice of setting resale prices (Resale Price Maintenance) or concerted practice of setting prices among distributors, by FREZYDERM SA, through its specific promotions to pharmacies, that would constitute a violation of article 1, of Law 3959/2011 and article 101 of the TFEU.

Furthermore, it was not found that FREZYDERM SA held (during the period of the alleged infringement) a dominant position in the relevant market. Therefore, there is no need to examine any alleged abusive behaviour of FREZYDERM SA in violation of article 2 of Law 3959/2011 and article 102 TFEU, through the abovementioned specific promotions to pharmacies.

On the ex-officio investigation of the General Directorate of Competition, however, restrictive contractual terms were identified, concerning the restriction of mutual supplies between the authorized Greek retailers of the selective network (of company FREZYDERM SA), as well as restrictions of their wholesale export sales (active and passive) to selected distributors of the network in the member countries of the European Union.

In addition, to the abovementioned contractual terms, further restrictions of the possible sales of the authorized Greek retailers to the Greek drugstores / members of the selective distribution network (of company FREZYDERM SA) that are active in a different level of trade (wholesale) were also found. These practices as identified according to the Statement of Objection are obstacles to the integration of European Union markets, which intensify the partition of national markets, but also restrict intra-brand competition. Furthermore, these contract terms restrict, due to the obstruction of cross-selling, the possibility of the members of the selective network to take advantage of any price differences between them with regard to selling FREZYDERM SA's products, thus facilitating price discrimination to the detriment of consumers in violation of article 1 par. 1 of law 3959/2011 and article 101 of the TFEU .

It is noted that the Statement of Objections is not binding on the HCC, which will decide on the case after it has taken into consideration all evidence, as well as the arguments put forward by all implicated parties.