

Brussels, 9 July 1965

IP (65) 136

PRESS RELEASEFree competition in sanitary appliances - dissolution
of a cartel in Belgium

A number of producers, importers and wholesalers who had concluded an agreement governing the sale and distribution of a sanitary appliance in Belgium, have informed the Commission that the agreement has now been dissolved.

This is the second case in which members of a cartel have terminated restrictive practices after receiving a communication from the Commission to the effect that they were prohibited. In April of this year the Commission was able to announce a similar result in the case of an agreement concerning building materials (see IP (65) 65 of 1 April 1965).

In the present instance the Commission had informed the members of the cartel that, after a preliminary examination of the agreement notified, it considered that the conditions for prohibition of a cartel were fulfilled and that exemption was not justified (Article 85(1) and (3) of the Treaty).

In view of this communication, which was based on Article 15(6) of Council Regulation No. 17, the parties concerned had lost the immunity from fines afforded them by their notification of the agreement (see IP (65) 78 from the Official Spokesman's Group, 20 Apr. 1965).

The agreement, to which only a limited number of producers and importers were in a position to subscribe, was an exclusive trading agreement between producers and importers on the one hand and wholesalers on the other. The producers had also undertaken to prohibit the re-import of their appliances into Belgium and Luxembourg, and the wholesalers were forbidden to export the appliances concerned from Belgium or Luxembourg; the producers were bound to abide by the prices fixed by mutual agreement, and not to grant any concessions other than those laid down.