

Gommunity PRESS RELEASE

EUROPEAN COMMUNITY INFORMATION SERVICE

2100 M Street Northwest, Suite 707, Washington D.C. 20037 • Telephone: (202) 296-5131 New York Office: 155 E. 44th Street, New York, N.Y. 10017 • Telephone: (212) MU 2-0458

No. 21

FOR IMMEDIATE RELEASE

May 19, 1972

COMMON MARKET TO REJECT CONTINENTAL CAN OFFER

WASHINGTON, D.C., May 19 -- Continental Can's proposals for ending its "abuse of a dominant position" in the European Community's metal packaging market are "unsatisfactory," the EC Commission announced today in Brussels.

Continental Can had made the proposals in accordance with the Commission's December 9, 1971, decision that the American company, acting through its subsidiary Europemballage of Brussels, had abused its dominant position by acquiring a 77.3 per cent interest in the Dutch company Thomassen and Drijver Verblifa NV. Since this acquisition, the Commission alleged, Continental Can's subsidiary has held too large a share of the market for three types of metal packaging goods: light metal cans for meats, cans for fish and shellfish, and lids.

Article 86 of the Common Market Treaty forbids companies "to take improper advantage of a dominant position" that affects trade between the member countries. Violations of the Community's competition rules are punishable by penalties of up to \$1,086 a day.

Article 86 has not yet been tested in the Community's "supreme court," the Court of Justice in Luxembourg. It has been invoked only once before, against the German company GEMA, which controlled the rights of composers.

GEMA took the dispute to the Court of Justice but abandoned proceedings before the Court had ruled.

#