



GAZDASÁGI
VERSENYHIVATAL

PRESS RELEASE OF THE HUNGARIAN COMPETITION AUTHORITY

**Cora fined HUF 1 million for
unfair manipulation of consumer choice**

The Competition Council of the Hungarian Competition Authority (Gazdasági Versenyhivatal, GVH) established in its decision of 13 December 2005 that the information in the flyers of the hypermarket chain Cora unfairly manipulated the consumer choice. Cora advertised a special offer on Becker beer in 5-liter barrels, though the product was not available in some of the stores, not even at the beginning of the advertising campaign, and in other stores only a minimum amount was in stock. The Competition Council imposed a fine of HUF 1 million (approx. EUR 4000) on Cora.

It is against a provision of the Competition Act to deceit consumers by making the false impression that an especially advantageous purchase is created.

According to legal practice of the Competition Council, the so-called bait advertising infringes the law if it can be presumed that the good, advertised in the ad papers as one to be obtained in an advantageous purchase, is either not available or available only in small quantities in the shop. Further, instead of buying the advertised good, the customers buy other goods that they would not have bought otherwise or would have bought somewhere else.

As it has been pointed out in several decisions of the Competition Council, the mere fact that an item is not available throughout the whole period of an advertising campaign is not against the provisions of the Competition Act. Though the notice "until stock lasts" informs the consumer that the product might not be available, it certainly does not exempt behaviours from being accountable for the creation of a situation in which the given product is not available in any of the departments of the chain or the starting amount of the product is unrealistically low.

In the case in question, Cora indicated in all its ad papers that the special offer on Becker beer in 5-liter barrels stands "until stock lasts", though the good was not available in some of the stores, not even at the beginning of the advertising campaign, and in other stores only a minimum amount was in stock. The Competition Council imposed a fine of HUF 1 million (approx. EUR 4000) on Cora.

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