



## **The GVH eliminated price fixing by audio equipment dealers**

**12 July 2022, Budapest – The GVH has imposed a fine of around HUF 100 million on several domestic and one Slovakian audio equipment retailer for price fixing. The investigation has revealed that Yamaha, one of the most diversified manufacturers of musical instruments, has been setting minimum prices for its products to its resellers for years.**

The investigation of the Hungarian Competition Authority (GVH) has revealed that several domestic and one Slovakian musical instrument retailer had been price fixing for nearly ten years in order to establish a uniform price level between them. The undertakings not only prepared and shared price lists, but also monitored each other's prices and warned anyone who deviated from the pre-agreed prices. Price fixing by collusion, i.e. cartelisation, is a particularly serious infringement of competition law that causes ongoing harm to the consumers of the products concerned.

The investigation also found that Yamaha, manufacturer and distributor of a wide range of musical instruments, had widely fixed minimum resale prices for its products to retailers from 2014 onwards. To avoid open written communication, these prices were agreed with the resellers by using anonymous email addresses. The fixing of resale prices was also an obstacle to competition for consumers, as it was intended to keep prices at a uniform level.

The GVH took into account the fact that Yamaha Music Europe GmbH voluntarily disclosed what had happened and provided evidence of the infringement. In addition to the Japanese undertaking, nine other undertakings admitted to the infringement, waiving their right to appeal to the courts. The GVH's Competition Council imposed fines totalling around HUF 100 million on nine Hungarian and one Slovakian musical instrument retailers and three individual entrepreneurs. While determining the amount of the fine, they took into consideration the fact that most of the undertakings cooperated with the authorities and also the limited financial capacity of the undertakings, as they are all considered to be small or medium-sized.

*„There are several advantages to working with the competition authority and foregoing the possibility of judicial review. On the one hand, parties save time and money by avoiding going to court and on the other hand, it is a significant factor in reducing fines. The amount of the fine increases Hungary's central budget.” – said András Tóth, Chairman of the Competition Council of the GVH.*

Case number: **VJ/8/2018.**

Press Office of the GVH