

GVH procedure against tobacco wholesale company not justified

The competition authority contacted the consumer protection authority, which found no infringement

2 March 2023, Budapest – The Hungarian Competition Authority (GVH) has terminated its procedure against JTI Hungary Dohányértékesítő Zrt. Several procedures of the consumer protection authority did not find any irregularities in the marketing of tobacco products at the undertaking, therefore the continuation of the competition authority's procedure on the communication of product sales - which had already been suspended - was not justified.

The national competition authority <u>launched a procedure against JTI Hungary Dohányértékesítő Zrt. in the summer of 2020</u> to investigate whether the company may have misled its customers by telling them that its products were fully compliant with legal requirements - including flavoured product types. Prior to the launch of the GVH procedure, it was suspected that the undertaking had advertised products to its customers that were not legally marketable.

In order to accurately assess whether the products concerned were indeed lawfully marketed in the period prior to the investigation, the GVH contacted the consumer protection authority responsible for tobacco market control and suspended its competition supervision proceedings until the final conclusion of the relevant administrative procedures.

These procedures by the consumer protection authority were ultimately concluded without establishing any infringement of tobacco marketing rules. The decisions have also led the GVH to terminate its procedure regarding the legality of the business communication on the product range of the undertaking.

Official registration number of the case: VJ/25/2020.

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