

THE HUNGARIAN COMPETITION AUTHORITY

Bidders cooperated in university hospitals public procurement, Municipial Court of Budapest upheld

Last summer the Competition Council of the Hungarian Competition Authority (GVH) established in its decision that ISH Kft. (ISH Ltd.), SAP Magyarország Kft. (SAP Hungary Ltd.) and IBM Magyarország Kft. (IBM Hungary Ltd.) cooperated in order to become the winners in the public procurement procedures of five Hungarian universities concerning economic management and informatic systems of hospitals. This practice had a restrictive effect on competition. Considering the infringement of competition law the GVH imposed competition supervision fines of HUF 130 million, HUF 690 million and HUF 690 million on ISH, SAP Magyarország, and IBM Magyarország respectively.

On 21 February 2007 the Municipal Court of Budapest established in its decision – partially altering the decision of the GVH – that the undertakings entered into a market allocating agreements. According to the court, however, it cannot be proven that the three undertakings would have concerted their behaviour in order to keep away Synergon, therefore the fines were reduced by 10 per cent. Accordingly, ISH, SAP Magyarország and IBM Magyarország are obliged to pay a fine of HUF 117 million, HUF 620 million and HUF 620 million respectively.

The decision is not final.

Budapest, 21 February 2007

More information:

Hungarian Competition Authority

Communication Unit

András Mihálovits

Hungarian Competition Authority Address: H-1054 Budapest, V. ker. Alkotmány u.5., HUNGARY I H-1245 Budapest, 5. POB 1036 tel: +36-30 618-6618 email: <u>Mihalovits.Andras@gvh.hu</u> http://www.gvh.hu