

The GVH imposes fines on battery producers for their participation in a cartel

The Gazdasági Versenyhivatal (the Hungarian Competition Authority, GVH) established that the former producers of Energizer, Duracell and Varta batteries had been engaged in a conduct that infringed competition law for a period of 10 years when they coordinated their practices in order to pass the waste management fees of their portable batteries and accumulators onto their customers. The GVH imposed fines of more than thirty million HUF (cca 90,000 EUR) on the producers after taking into account their active cooperation during the investigation.

The investigation of the GVH revealed that in 2005 the battery producers concerned had agreed to pass the waste management fees that had been introduced around that time onto their customers as a separate cost element. As a consequence, the producers in full agreement passed the entire waste management fees onto their customers, thereby excluding competition among themselves in respect of this cost element. The fines were imposed based solely on the identified agreement relating to the waste management fees, as it was not established during the investigation that the producers had also agreed to fix the prices of their batteries.

Due to the cooperation of the producers the GVH significantly reduced the amount of the fines that it could lawfully impose: the producer of Energizer batteries and the former producer of Duracell batteries, Procter & Gamble, acknowledged the infringement by submitting a leniency application and providing the required supporting evidence. The GVH waived the fine that would have been imposed on Energizer and halved the fine of Procter & Gamble. In addition, Procter & Gamble and the former producer of Varta batteries, Spectrum Brands Hungaria Kft, accepted the GVH's statement of facts and waived their right to seek a legal remedy in the framework of the settlement procedure, thereby contributing to the rapid conclusion of the procedure. Spectrum Brands received a further reduction of its fine as it undertook to further develop its compliance programme in order to avoid future infringements.

Case number: **Vj/43/2015.**

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Hungarian Competition Authority

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