

## The GVH initiated a competition supervision procedure due to the suspect of restrictive agreements

On 11 October 2011, the Gazdasági Versenyhivatal (GVH – Hungarian Competition Authority) launched an investigation against ALT CASH Kereskedelmi és Szolgáltató Kft (ALT CASH). As a first formal step of the procedure, the GVH held unannounced inspections on the premise of the undertaking concerned.

According to the available data, the GVH presumes that ALT CASH stipulates referenced end - consumer prices in the contracts concluded with the cash-register services in order to ensure the retail reselling and servicing of SAM4S cash-registers (that are exclusionary distributed by ALT CASH). It is likely that the abovementioned referenced prices are enforced by the undertaking as they were minimal prices.

The GVH noticed that the undertaking, which is the exclusionary distributor of the cash registers (and is registered as a distributor by the National Tax and Customs Administration of Hungary), constantly threats the cash-register services with termination of their contracts in case of selling SAM4S cash-registers in the retail distribution at a lower price than the referenced price of ALT CASH. There is an other indicator that could serve as a basis for the allegedly applied resale price maintenance: on the retail market of electronic cash-registers, the preferenced prices of SAM4S cash-registers are at the same level.

It can be also presumed that the undertaking threats those cash-registers with the termination of their contract, which do not supply a specified amount of certain type of SAM4S cash-registers yearly or give allowance to cash-registers produced by competitors of ALT CASH.

The GVH suspects that the undertakings under investigation have presumably violated, by this conduct, the provisions of the Hungarian Competition Act with regard to the prohibition of restrictive agreements.

The GVH is empowered by the Competition Act to inspect premises without any preliminary notification. Pursuant to the provisions of the Competition Act, the inspection of premises is subject to the attainment in advance of judicial authorisation.

The initiation of the competition supervision proceeding does not mean that the undertakings in question actually committed the infringement. The proceeding seeks to clarify the facts and to thus prove that the presumed infringement has been committed. According to the Act these proceedings must be closed within 6 months, however, this time limit can be extended two times by further 6 months, depending on the complexity of the case.

Case number: **Vj-68/2011**Budapest, 13 October 2011.

## Hungarian Competition Authority Communication Group

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