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ARNTZEN GRETTE

NEWS | 1 December 2022

Norwegian Competition Authority fines four biggest publishing houses and provider of the database Bokbasen a total of 52.5 million EUR for exchanging future book prices

On 29 November 2022, the Norwegian Competition Authority announced its decision to fine Norway's four biggest publishing houses and the provider of the database Bokbasen a total of 545 million NOK (approx. 52.5 million EUR) for exchanging future book prices in breach of the Norwegian Competition Act (CA). According to the Director General, the Norwegian Competition Authority has obtained a significant amount of evidence that the publishing houses have shared competitively sensitive information in a database to which they all have had access. This has provided the publishing houses with a complete overview of each other's market conduct and may have led to higher book prices for consumers.

Relevant market

The companies involved are active in the Norwegian publishing sector, including in the downstream market for the sale of books to end users. Information on the exact market definition remains to be published by the Norwegian Competition Authority.

Infringement

Pursuant to Section 10 CA, corresponding to Article 101 TFEU and Article 53 EEA, it is illegal for competing undertakings to exchange information that may restrict competition in the market. According to the Norwegian Competition Authority, the publishers have systematically entered such information into the database operated by Bokbasen, knowing that this information would then be accessible to their competitors holding relevant subscriptions. Further, the information exchange made it easier for the publishers to coordinate prices and the publications, which may have led to a reduced assortment of books and increased prices for consumers. The Norwegian Competition Authority has stated that such information would have been difficult to obtain through other means.

The fines imposed on each of the undertakings equal approximately 10% of the annual (group) turnover in the preceding year. The Director General has stated that the size of the fines is an indicator that this is a serious

breach of the CA.

Timeline

- The Norwegian Competition Authority carried out inspections at the premises of the five undertakings involved in January 2018.
- Following the inspections, a number of statements were taken from persons involved and an extensive body of paper and data material examined.
- A statement of objections was sent to each of the parties on 24 September 2020.
- The five undertakings concerned replied to the statement of objections in January 2021.
- The decision by the Norwegian Competition Authority was made public on 29 November 2022.

Decisions by the Norwegian Competition Authority may be appealed to the Competition Complaints Board. Several of the undertakings concerned have already indicated that the decision will be brought before the Competition Complaints Board.