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KYRIAKIDES GEORGOPOULOS Law Firm

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Greek antitrust regulator imposes RPM fine after dawn raiding the children's toys market

Background

Within the context of an *ex officio* investigation, the Hellenic Competition Council (the Greek Competition Authority, 'HCC') raided several companies operating at all levels of the supply chain in the market for children's toys back in November 2021. The *ex officio* investigation also included a large sampling of specific product codes which showed the highest traffic (popularity), as recorded on the online websites of the toy retailers.

The settlement decision

On 20 April 2023, the HCC announced via a press release that Giochi Preziosi Hellas has been imposed a fine of 628,000 EUR following a simplified settlement procedure for fixing resale prices for toys retailed via online websites from 28 December 2017 to 8 October 2021.

The infringement

According to the press release, the evidence of the 2021 dawn raid proves that Giochi Preziosi Hellas has breached competition law rules by engaging in resale price maintenance ('RPM') in the market for children's toys. The price fixing practices have been found to be a single and continuous infringement in terms of scope, targeting strategy and timing, also considering the seasonal nature of the product.

The HCC stresses that RPM constitutes, by its very nature, a hardcore restriction of competition, capable of having an effect on the relevant market: it eliminates intra-brand competition and disincentivises end price reductions.

Commentary

RPM practices have always been under the strict scrutiny of the HCC. This case focuses on the online selling channels – thereby combining two priorities of the HCC for 2023: e-commerce and vertical restraints.

Stay tuned for more information on the settlement decision once it becomes available.