Distribution Law Center
DRIVEN BY CONTRAST

SBGK
EST. 1969

NEWS | 17 July 2025

Lutec Lighting: Fine for RPM in the luminaire market - significant reduction due to cooperation with the HCA

RPM confirmed

On 9 July 2025, the Competition Council of the Hungarian Competition Authority (HCA) imposed a fine of 13.5 million HUF (approx. 33,500 EUR) on Lutec Lighting Kereskedelmi és Szolgáltató Kft. (Lutec) for engaging in resale price maintenance (RPM). Lutec was found to have fixed the resale prices of luminaires sold through its specialized retailers between at least October 2018 and June 2022.

Lutec communicated "recommended" gross resale prices to its retail partners via circular emails, which effectively functioned as mandatory minimum resale prices, aimed at avoiding "price wars" and preventing brand "devaluation".

Lutec actively monitored adherence to these so-called recommended resale prices, and some resellers voluntarily reported competitors selling at lower prices. When warnings failed to ensure compliance, Lutec threatened sanctions, including the removal of products from webshops and the suspension of supply to non-compliant retailers.

The infringement ceased on 28 June 2022, when Lutec explicitly informed its retailers of their right to freely set their resale prices.

Severe price restriction

RPM, even when implemented indirectly, is considered a particularly severe competition restriction as it distorts market conditions and deprives consumers of lower prices. Due to its nature, RPM does not fall under the "de minimis" rules for agreements of minor importance or the vertical block exemption.

The HCA found that the infringement primarily affected specialized lighting retailers. The investigation was closed for the period prior to October 2018, as well as for conduct involving DIY stores and foreign retailers, due to insufficient evidence of any formal agreement in those cases.

Cooperation with HCA

As a micro-enterprise, Lutec demonstrated a high level of cooperation throughout the proceedings. This included submitting a leniency application (an option available in Hungary even for vertical agreements), participating in the settlement procedure, and undertaking to implement a post-infringement compliance program.

In recognition of these efforts, the HCA granted significant reductions to the originally calculated fine of 45 million HUF (approx. 112,500 EUR). The final fine was reduced by 70%, resulting in a total of 13.5 million HUF (approx. 33,500 EUR). Additionally, Lutec received an 18-month instalment plan to pay the fine.

Commentary

This case re-emphasizes that timely and comprehensive cooperation with the competition authority can substantially reduce fines, potentially even leading to full exemption in certain infringements. However, for severe infringements like RPM, even Small and Medium-sized Enterprises cannot be fully exempt from sanctions.

The official press release can be found here.