

Republic of Serbia
Commission for Protection of Competition
No. 4/0-02-14/11-12
Ref.no. 4/0-02-338/10-25
Date: May 26, 2011
Beograd

Pursuant to Article 22, paragraph 2, Articles 57 and 68, paragraph 1, item 2), Article 74 of the Law on Protection of Competition ("Official Journal of the RS" no. 51/09), Article 192 of General Administrative Procedure Act ("Official Gazette of FRY", nos. 33/97 and 31/01 and "Official Journal of RS" no. 30/2010), Articles 2 and 3 of the Regulation on Criteria for Relief from Obligation to Pay Financial Sanction of the Measure for Protection of Competition and Articles 3 and 4 of Regulation on Criteria for Setting the Amount Payable on the Basis of a Measure for Protection of Competition and Sanctions for Procedural Breaches, Manner and Terms of Payment Thereof and Method for Determination of Respective Measures ("Official Journal of the RS" no. 50/2010), Council of the Commission for Protection of Competition, at its 32nd session held on May 26, 2011, deciding in procedure, on existence of infringement of competition – restrictive agreement in terms of provisions from Article 10 of the Law on Protection of Competition, initiated ex officio against company IDEA d.o.o. for internal and external trade, Knezopoljska 1, Beograd, represented by Vladimir Bokan, Director through the proxy from law office Karanovic&Nikolic from Beograd, Lepenicka 7, and company GRAND PROM a.d. for production, trade and services, Surcinska 6A, Beograd, represented by Bojan Knezevic, Director, through proxy Zivorad Ikonovic from Beograd, Marijane Gregoran 69, issued a

DECISION

I It is established that provision in Annex I – basic commercial conditions and fees of the Purchase and Sales Agreement no. 0058/2009, concluded on March 5, 2009, between GRAND PROM a.D. for production, trade and services, Surcinska 6A Beograd, ID no. 17173006, in the capacity of seller, and IDEA d.o.o. for internal and external trade, Knezopoljska 1 Beograd, ID no. 06423566, in the capacity of buyer, under the reference "rebate" in the part referring to agreed obligation of seller to grant 2% rebate to buyer for complying with prices recommended by

seller within the basic rebate of 10% on invoice, for products from production line of "Grand", "Argeta" and "Stark", is a prohibited restrictive agreement, significantly distorting competition on the market of whole trade of products from production line of "Grand", "Argeta" and "Stark", as well as on the market of retail trade in non-specialized stores of prevalingly food products and other consumer goods in self-service stores, discount stores, supermarkets and hypermarkets (activity code 52110- non-specialized retail trade, of prevalingly food, tabacco and bevarages) in the territory of the Republic of Serbia, by which GRAND PROM a.d. and IDEA d.o.o. effected an infringement of competition.

II It is established that prohibited restrictive agreement referred to in paragraph I of enacting terms is null and void.

III It is prohibited to companies referred to in paragraph I of enacting terms any future acting which could distort competition, by explicit or tacit collusion of provisions containing obligation of buyer to apply minimum, protective, fixed and/or recommended prices or fixing, in any other way sales price of products from production line of "Grand", "Argeta" and "Stark" in further sale.

IV Reques of company IDEA d.o.o. for internal and external trade, Knezopoljska 1, Beograd, for relief from obligation of payment of financial sanction as a measure for competition protection is rejected.

V Measure for protection of competition is determined to company IDEA d.o.o. for internal and external trade, Knezopoljska 1, Beograd, in the form of payment of financial sanction in the amount of 1.5% of total annual turnover realized in 2008, amounting to 427.034.835,00 RSD.

IV Measure for protection of competition is determined to company GRAND PROM a.d. for production, trade and services, Surcinska 6A, Beograd in the form of payment of obligation of financial sanction in the amount of 2% of total annual turnover realized in 2008, amounting to 249.866.580,00RSD.

VII It is ordered to company IDEA d.o.o. for internal and external trade, Knezopoljska 1, Beograd, to effect payment of financial sanction of the measure for protection of competition referred to in paragraph V of enacting terms, in the amount of: 427.034.835,00 to the account of the budget of the Republic of Serbia no. 426 b 840 743224 843 32 with reference to the number of this decision.

VIII It is ordered to company GRAND PROM a.d. for production, trade and services, Surcinska 6A, Beograd to effect payment of financial sanction of the measure for protection of competition referred to in paragraph VI of enacting terms, in the amount of: 249.866.580,00 RSD, to the account of the budget of the Republic of Serbia no. 426 b 840 743224 843 32, with reference to the number of this decision.

IX Time period of four (4) months is set, from the date of receipt of decision, to effect obligation referred to in paragraph VII and VIII of enacting terms, under the threat of forced execution.

X This decision is published in "Official Journal of the Republic of Serbia" and on Internet page of the Commission for Protection of Competition.

Presiding of the Council
Vesna Jankovic, President of the Commission