10 February 2017: Petanque balls

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The *Autorité de la concurrence* fines Obut
for having obliged its dealers to charge suggested retail prices.

Background

The *Autorité* has fined the leading French manufacturer of petanque balls for having abused its dominant position by imposing a pricing policy on some of its distributors. Between May 2009 and mid-2016, dealers selling Obut petanque balls were also threatened or subjected to retaliatory measures by Obut. Obut did not challenge the facts and sought a compromise with the *Autorité*, which set the fine at €320,000.

Dealers were obliged to charge Obut catalogue prices

Obut, the leader in the petanque ball sector, obliged its dealers (specialised chains, independent stores, websites) to adhere to its catalogue prices or risk commercial reprisals (delayed deliveries, blocked orders, delisting).

Uniform prices destroyed all competition

The price uniformity policy applied by Obut, an operator in a dominant position, effectively protected its own sales outlets from price competition from its dealers. The latter were prevented from offering cheaper prices to boost their sales. Consumers were deprived of price competition among these dealers.

Obut did not challenge the facts

The practices were applied from May 2009 to July 2016, when the statement of objections was sent to the company. Obut applied for a settlement procedure[1], under which a company that agrees not to challenge the facts can be offered a financial settlement. The *Autorité* accordingly handed down a fine of €320,000. In doing so, it took into account the company's introduction of a compliance programme (staff training courses in competition law, annual report to the *Autorité* on the measures taken in this domain, etc.) to prevent any repetition of the practices.

[1] *This decision is the sixth settlement adopted since the entry into force of the Macron Act (for growth, business and equal economic opportunity) dated of 6 August 2015: installation and maintenance of professional kitchens (**16-D-05** and **16-D-06**), exclusive distribution of consumer goods in overseas territories (**16-D-15**), the property management sector (**16-D-27**) and the tableware and cuisine sectors (**17-D-01**).*

> See the full text of Decision 17-D-02 of 10 February 2017 on the practices applied in the competitive petanque ball sector.

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