8 October 2018 : Exclusive distribution of consumer goods in Wallis-and-Futuna

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The Autorité de la concurrence has fined the wholesaler-importer General

Importand its parent company

for continuing to implement exclusive import agreements, after the Lurel Act came into force.

The "Lurel Act" has banned any exclusive import agreement since March 2013.

The Overseas Economic Regulations Act of 20 November 2012 known as the "Lurel Act" banned unjustified exclusive importing into overseas territories as from 22 March 2013.

The exclusive import agreements which General Import benefited from involved consumer goods

After the "Lurel Act" came into effect and until 2015, General Import benefited from exclusive import rights for the Wallis-and-Futuna territory for the purchase of consumer goods.

The suppliers and products concerned were Sun Rice (rice), Heinz (Pacific Corned Beef cans and Golden Circle products: drinks, sodas, fruit juices and canned fruit), Campbell Arnott's (biscuits), Chelsea (sugar) and Anchor (powdered milk).

Practices which foreclosed competitors and weighed on household purchasing power

These practices hampered the development of competing wholesaler-importers and lowered competition between wholesalers that retailers were entitled to expect for their supply.

This resulted in an increase in cost for retailers, and thus, for those of basic consumer foodstuffs' prices in Wallis and Futuna, where purchasing power is much lower than in mainland France.

In consequence, the *Autorité de la concurrence* fined General Import and its parent company ADLP Holding 250 000 euros (30 Million CFP). Further, it required it to inform by mail every supplier impacted by the prohibited exclusive agreements covered by today's decision.

It is the fifth decision that the Autorité de la concurrence issues regarding exclusive import practices in overseas territories :

18-D-03 / press release of 20 February 2018

17-D-14 / press release of 27 July 2017

16-D-15 / press release of 6 July 2016

15-D-14 / press release of 10 September 2015

> See the full text of Decision 18-D-21 of 8 October 2018 regarding practices implemented in the exclusive distribution of consumer goods in Wallis-and-Futuna

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> This decision was submitted before the cour d'appel de Paris (pending case)