The Autorité de la concurrence fines video surveillance manufacturer Mobotix and its wholesalers for anticompetitive agreements

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Background

Following an investigation report sent by the French Directorate General for Competition Policy, Consumer Affairs and Fraud Control (DGCCRF), the *Autorité de la concurrence* has fined Mobotix and several of its wholesalers 1.4 million euros for agreeing on the selling prices of video surveillance devices and restricting the electronic sale of these products.



Mobotix and its authorised distribution network

Mobotix manufactures and sells cameras and video surveillance systems to authorised wholesalers. These wholesalers[1] are responsible for promoting and developing a network of resellers-installers to which they resell Mobotix products, which are then marketed to the end customers.

Mobotix directed the pricing policy of its resellers-installers

The evidence in the case shows that Mobotix drew up and communicated to wholesalers and on its website lists of recommended selling prices for all the products it marketed.

To ensure that the retail prices displayed by the resellers-installers were homogeneous and identical to the prices it advertised, Mobotix used a set of clauses in its contracts with its wholesalers requiring them not to communicate any prices other than the recommended retail prices and also requiring them to ensure that the retail resellers complied with the advertised prices. Mobotix thus turned the resale prices into fixed prices.

This agreement between Mobotix and its wholesalers was intended to ensure stable margin levels at all levels of the value chain.

Wholesalers were asked to choose resellers-installers with low online sales

Mobotix's contracts with three of its wholesalers, ACTN, Be IP and EDOX, contained a set of clauses which required these wholesalers to select only resellers who did not market the majority of their products online.

This request by Mobotix to its wholesalers was intended to limit the electronic sales of its products.

These practices have limited price competition

These practices, which lasted between 6 and 7 years depending on the wholesaler and which affected more than two thirds of Mobotix's sales in France, are relatively serious.

The price fixing by Mobotix and its wholesalers has contributed to the harmonisation of the selling prices of products at the retail level. The restriction of electronic sales has helped to limit the possibility for retailers to offer their products online and for their customers to increase competition with other online retailers in order to compare products and thus obtain a more competitive price.

In view of these facts, the *Autorité* imposed the following penalties:

Company	Fine
Mobotix	€644,757
ACTN ((jointly with Pena SCH)	€488,467
Be IP	€168,330

Company	Fine
Edox	€97,668
Total	€1,399,222

[1]The wholesalers involved in the practices are ACTN, Be IP and EDOX.

DECISION 21-D-26 OF 8 NOVEMBER 2021

regarding practices implemented within the distribution network for Mobotix-branded products

See full text of the decision

Contact(s)

Bertille Gauthier
Communications Officer
+33155040039

Contact us by e-mail