The Autorité de la concurrence fines CTPL-AG for abuse of a dominant position

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The Autorité de la concurrence fines CTPL-AG for excessive prices in the market for roadworthiness tests for heavy-duty vehicles and for favouring its sister company, which is active in the related market for roadworthiness test preparation.

Background

Following a referral by the Minister of Economy as a result of an investigation conducted by the Antilles-French Guiana Interregional Competition Investigation Unit (Brigade interrégionale des enquêtes de concurrence) of the Martinique Department of Business, Competition, Consumer Affairs, Labour and Employment, the Autorité de la Concurrence has fined CTPL-AG for abusing its dominant position in the market for roadworthiness tests for heavy-duty vehicles in Guadeloupe.

The fined practices are as follows:

- discriminatory practices (prices, appointment deadlines, invoicing and payment procedures) against companies in the related market for the preparation of roadworthiness tests for heavy-duty goods vehicles in Guadeloupe, to the benefit of its sister company in this same market;
- use of its monopoly position to charge excessive prices for roadworthiness tests for heavy-duty vehicles without a reasonable relationship to their

economic value.

CTPL-AG did not contest the facts alleged by the Autorité de la concurrence and benefited from the settlement procedure. The Autorité has fined CTPL-AG 25,000 euros.

The market position of CTPL-AG

Contrôle Technique Poids Lourds-Antilles Guyane ("CTPL-AG") is a company founded in 2010 and active in the sector of roadworthiness tests for vehicles in Guadeloupe (and in the islands surrounding Guadeloupe).
Heavy-duty vehicles are subject to periodic roadworthiness tests by State-approved companies. CTPL-AG had a monopoly in this market between March 2010 and September 2018.

In addition, several companies are active in the market for the preparation of roadworthiness tests for heavy-duty vehicles; these tests are the final stage of a process that includes several preliminary verifications, in particular on the technical equipment on board. The companies present in this related market include STAG, a sister company of CTPL-AG.

The practices in question

The Autorité criticised CTPL-AG for using its monopoly to charge excessive prices for its roadworthiness tests for heavy-duty vehicles and for discriminating in favour of its sister company in the market for preparation for roadworthiness tests.

- The implementation of discriminatory practices

First, CTPL-AG implemented price discrimination between the services invoiced to STAG and those invoiced to other stakeholders. CTPL-AG had introduced two prices for its services: a normal price and a "discounted" price. However, CTPL-AG had set criteria for obtaining these discounts that none of the companies in question, with the exception of STAG, were able to meet.
CTPL-AG had also granted other benefits to STAG, such as longer payment instalments and shorter appointment times, which it did not grant to STAG's competitors.

Consequently, the Autorité considers that these practices altered the attractiveness of the services offered by STAG's competitors, thereby hindering their development.

- The use of excessive prices that bear no relation to the economic value of the services

The Autorité found that the prices charged by CTPL-AG between January 2013 and September 2018 were substantially higher than in the period before or after the practices and bore no reasonable relation to the costs of the services.
It also noted that the price point and margins charged in Guadeloupe were very significantly higher than in Martinique or French Guiana for comparable services and in identical situations.

CTPL-AG did not provided any objective justification for these practices.

Practices not contested

CTPL-AG did not contest the alleged practices and requested the benefit of the settlement procedure. This allows a company that does not contest the charges brought against it to obtain a financial penalty within a range proposed by the

General Rapporteur, setting a maximum and minimum amount and giving rise to the agreement of the parties. Under this negotiated procedure and taking into account the financial situation of CTPL-AG, the Autorité imposed a penalty of 25,000 euros.

DECISION 22-D-26 OF 22 DECEMBER 2022

regarding practices implemented in the sector of roadworthiness tests for heavy-duty vehicles in Guadeloupe.

Read the full text of the decision

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