Canard-Duchêne champagnes: Several Arvitis group companies and two wholesale importers fined for maintaining exclusive import rights

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Canard-Duchêne champagnes: The Autorité de la concurrence fines several Arvitis group companies and two wholesale importers for maintaining exclusive import rights in French Guiana and Guadeloupe after the entry into force of the Lurel Act

Background

The *Autorité de la concurrence* fines several companies of the Arvitis group (TCD, Champagne Canard-Duchêne, C&C Export, Dourthe, Arvitis Bordeaux and Arvitis SA) as well as two wholesale importer companies, Sodis Chrismay (French Guiana) and Sodipa (Guadeloupe), for maintaining exclusive import rights on Canard-Duchêne champagnes after the Lurel Act came into force.

The total amount of the fines is €283,000.

The “Lurel” Act prohibits all exclusive import agreements since March 2013

The Overseas Economic Regulation Act of 20 November 2012, known as the “Lurel” Act, prohibited, as of 22 March 2013, unjustified exclusive import agreements in overseas territories.

The act aims to fight the high cost of living and includes in its provisions a prohibition in principle of exclusive import agreements, which prevent retailers from competing with wholesalers for their supply and ultimately increase the price of imported items.

The companies in question maintained, contractually and later informally, an exclusive import agreement after March 2013

Evidence shows that the fined companies maintained, until 31 December 2013, contracts containing exclusive distribution clauses.

It was also established that these exclusivity practices continued outside a contractual framework until 31 December 2016. The *Autorité* found, for example, that Arvitis refused to sell its Canard-Duchêne products directly to potential buyers in French Guiana and redirected them to its exclusive local importer. Arvitis also implemented a promotion mechanism in favour of the sole exclusive importer, intended to encourage local buyers to acquire its products via the latter.

Sanctions imposed

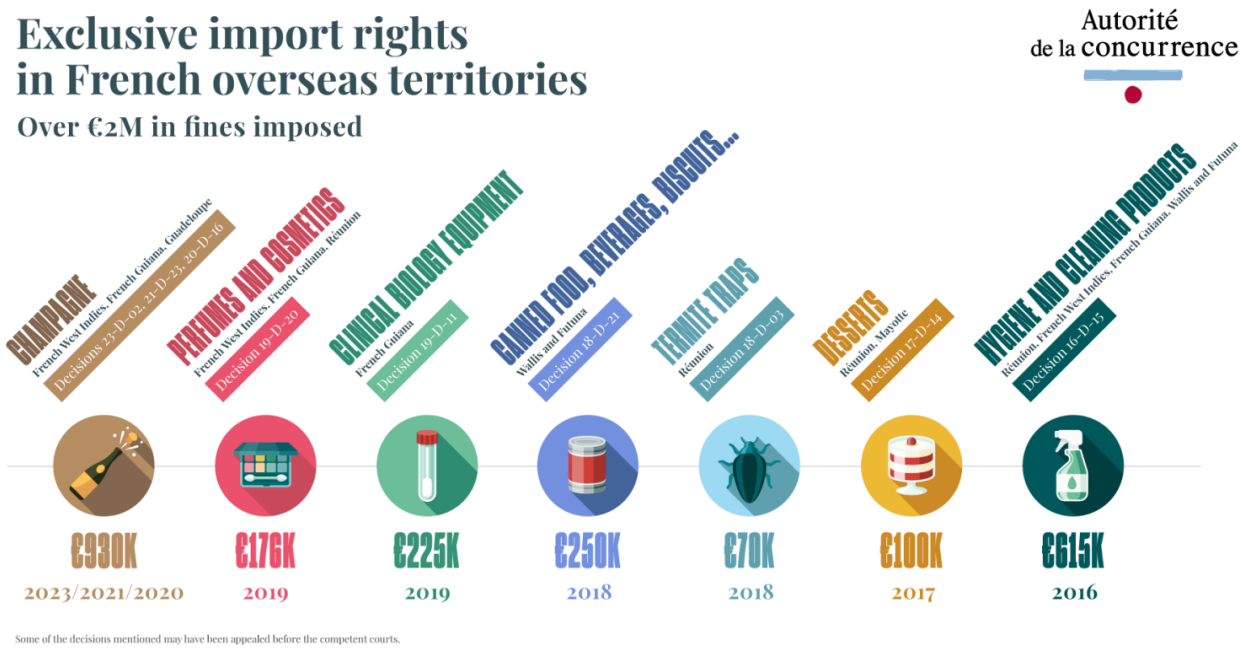
These practices, which continued for several years after 22 March 2013, are regarded as serious in view of the territories concerned, as they forced retailers to buy from Sodis Chrismay and Sodipa to the detriment of potential competing wholesale importers.

In light of these elements, the *Autorité de la concurrence* has imposed the following fines:

Companies	Sanctions (in euros)			

For the practices implemented in French Guiana				
TCD (jointly and severally liable with Champagne Canard-Duchêne and Arvitis as parent companies)	29,000			
TCD, Champagne Canard-Duchêne, C&C Export and Arvitis (jointly and severally liable with Champagne Canard-Duchêne, Dourthe, Arvitis Bordeaux and Arvitis as parent companies)	59,000			
Sodis Chrismay (jointly and severally liable with Taillandier Frères as parent company)	119,000			
For the practices implemented in Guadeloupe				

TCD (jointly and severally liable with Champagne Canard-Duchêne and Arvitis as parent companies)	10,000			
TCD, Champagne Canard-Duchêne, C&C Export and Arvitis (jointly and severally liable with Champagne Canard-Duchêne, Dourthe, Arvitis Bordeaux and Arvitis as parent companies)	19,000			
Sodipa (jointly and severally liable with SGPM as parent company)	47,000			
TOTAL	€283,000			



Exclusive imports: previous decisions

This is the tenth sanction decision issued by the *Autorité* concerning exclusive import practices in the French overseas territories:

- 21-D-23 (consumer goods) / press release of 7 October 2021
- 20-D-16 (consumer goods) / press release of 29 October 2020
- 19-D-20 (perfumes and cosmetics)/ press release of 8 October 2019
- 19-D-11 (medical biology) / press release of 29 May 2019
- 18-D-21 (consumer goods) / press release of 8 October 2018
- 18-D-03 (termite traps) / press release of 20 February 2018
- 17-D-14 (desserts) / press release of 27 July 2017
- 16-D-15 (consumer goods) / press release of 6 July 2016
- 15-D-14 (consumer goods) / press release of 10 September 2015

DECISION 23-D-02 OF 8 MARCH 2023

egarding practices implemented in the marketing of Canard-Duchêne champagne in the French West Indies and in French Guiana

Full text of the Decision (in French)

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