EU Competition

EU – Phase I merger notifications

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<td>Engineering activities and related technical consultancy.</td>
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<td>Exprim SAS/Embix JV</td>
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<td>Cargill/KoroFrance</td>
<td>Cargill: network of companies engaged in commodity trading, commodity processing, marketing of non-branded food ingredients to the food and beverage industry and production and marketing of agricultural inputs to farmers in European countries. KoroFrance: holding company for Provimi Group, which is active in the manufacture and supply of animal feed.</td>
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**Italianer delivers zero tolerance speech for international cartels** On 13 October 2011, the European Commission (“Commission”) published a speech by Alexander Italianer, Director General of the Directorate General for Competition, on a zero tolerance policy for international cartels. The speech was delivered in Bruges at the ICN Cartel Workshop 2011. [Read more.](#)

**Commission finds Chiquita and Pacific Fruit guilty of cartel activity** On 12 October 2011, the Commission adopted a decision finding that two importers of bananas had operated an unlawful price-fixing cartel in Southern Europe. Pacific Fruit was fined €8.9 million for its involvement in cartel activity and restrictive business practices between 2004 and 2005, whilst Chiquita received immunity from fines for providing the Commission with information about the cartel. [Read more.](#)

**Almunia delivers speech on building Europe’s future payments market** On 12 October 2011, Joaquín Almunia, the Commission Vice President who is also responsible for Competition Policy, delivered a speech on competition policy and the payments industry. [Read more.](#)
ECJ rules that absolute ban on internet sales breaches prohibition on anti-competitive agreements  On 13 October 2011, the European Court of Justice ("ECJ") delivered a preliminary ruling following a reference from the French Courts as to whether certain selective distribution agreements breached Article 101. The ECJ ruled that an absolute ban on internet selling was contrary to Article 101(1) unless it could be objectively justified. The ECJ also found that the agreements in question restricted passive sales and therefore breached Article 101(1). [Read more.]

General Court rules appeal by consumer group inadmissible  On 12 October 2011, the General Court ruled that a Belgian consumer group’s appeal against the EDF/Segebel merger decision was inadmissible because the group was not individually concerned and therefore did not have standing in the case. [Read more.]

General Court reduces fines on appeal from the Spanish raw tobacco cartel decision  On 12 October 2011, the General Court granted in part appeals made by Agroexpansion and Alliance One against the Commission’s decision in the Spanish raw tobacco cartel case. The General Court took the view that the Commission hadn’t reduced Agroexpansion’s fines sufficiently under the leniency notice and reduced them from €2.6 million to €2.4 million. [Read more.](Not yet available in English.) The General Court also held that Alliance One should not have been held liable for Agroexpansion’s infringement prior to 18 November 2007 and reduced its liability from €2.6 million to €2.2 million. [Read more.]

EU adopts new rules on wholesale electricity and gas trading  On 10 October 2011, the Council adopted the Commission’s proposed regulation on energy market integrity and transparency. [Read more.]

OECD publishes working papers on competition issues  On 10 October 2011, the Organisation for Economic Cooperation and Development published a series of discussion papers from recent and forthcoming competition meetings relating to issues in competition law. [Read more.]

UK Competition

Competition Commission publishes working paper on route and urban area analysis  On 12 October 2011, as part of its investigation into the local bus services market, the Competition Commission published a working paper on route and urban area analysis and the identification of local markets. [Read more.]

Competition Commission publishes issues statement on healthcare waste management merger  On 12 October 2011, the Competition Commission published an issues statement setting out the issues it intends to examine further in its investigation of the proposed acquisition of Ecowaste by Stericycle. [Read more.]

Competition Commission publishes issues statement on construction materials joint venture  On 11 October 2011, the Competition Commission published an issues statement setting out the issues it intends to examine further in its investigation of the proposed joint venture between Anglo American and Lafarge. [Read more.]
CAT rules on costs in construction recruitment agency appeals On 14 October 2011, the Competition Appeal Tribunal ("CAT") handed down its judgment on two costs applications, made by Eden Brown and Hays, in respect of successful appeals against the construction recruitment agencies cartel decision. The applicants sought a court order requiring the Office of Fair Trading to pay the majority of each applicant’s costs for the appeals. The CAT concluded that Eden Brown should be awarded 80% of its costs, whereas Hays was awarded only 65% on the basis that it could not recover its costs of employing second leading counsel and an expert accountant. Read more.

Ofgem announces radical reform in wholesale energy markets On 14 October 2011, Ofgem announced a new process for the reform of energy markets in order to make them simpler for customers and more competitive between suppliers. Read more. This news follows on from SSE’s announcement that it will start auctioning its electricity on the open market. Read more.

State Aid

ECJ rules that Italy failed to recover unlawful state aid as required by Commission decision On 13 October 2011, the ECJ ruled that Italy had failed to recover unlawful state aid granted to New Interline SpA, an Italian chair manufacturer. Read more. (Decision not yet available in English.)

ECJ finds German state aid appeals to be admissible On 13 October 2011, the ECJ overturned the General Court's ruling that appeals made by Germany and Deutsche Post relating to a Commission request for information were inadmissible. The cases were referred back to the General Court for judgment on the substantive issues of the appeals. Read more.

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