Greece: The Hellenic Competition Commission fines Poultry Meat Producers and Trade Association for participating in long-lasting Cartel

On 2 July 2014, the Hellenic Competition Commission (HCC), following an ex officio investigation, published a decision (HCC Decision 563/VII/2013, Government Gazette Issue B’ 1808) in which it found that thirteen undertakings active in the poultry-meat sector in Greece, as well as the sector’s association (SPEE) infringed Article 1 Law 703/1977 (now Article 1 Law 3959/2011) and Article 101 TFEU, by engaging in agreements and/or concerted practices consisting in setting (minimum) prices and price increases, as well as in market-sharing. The undertakings involved coordinated to fix the selling prices of fresh and frozen poultry meat, per category of product and per distribution channel downstream (wholesalers, super-markets, butchers, rotisseries). Moreover, they engaged in market-sharing by allocating customers, with a view to stabilizing their price-fixing agreements.

The collusive scheme was implemented through regular meetings at the premises of the trade association and elsewhere, as well as follow-on meetings to monitor the implementation of the successive agreements. Overall, the anti-competitive conduct lasted from 1996 to 2010, although not all parties were involved for the entire period of the said single and continuous infringement.

Contemporaneous evidence in this case included a written cartel agreement signed by the cartel participants, minutes and letters recording the cartel meetings (many of them mentioning attendees), invitations to meetings, as well as lists of prices of undertakings discovered at the premises of their competitors during inspections.

The distinct and autonomous role of SPEE as a cartel member was also established by the HCC. The SPEE’s Director kept and/or drafted many of the contemporaneous documents and was in charge of keeping the cartel members informed. He was also the author of articles in SPEE’s magazine which included several anticompetitive recommendations and references to price coordination. Furthermore, several clauses of SPEE’s statutes were found by the HCC to constitute decisions of an association of undertakings restricting competition and their abolition or amendment was ordered in the HCC’s decision.

On the basis of the gravity and duration of the infringement, the HCC imposed fines totalling € 39 900 000 on the cartel participants. The fines were fixed taking into account the individual participation of each entity in the infringement. A fine was not imposed on one undertaking which had distanced itself from the cartel on several occasions in writing. One cartel participant benefitted from a reduction of the fine for having acknowledged several aspects of the infringement (mitigating circumstance) and all cartel participants except SPEE saw their fines exceptionally reduced, after the application of the maximum threshold, due to the prolonged economic crisis in Greece as well as the deterioration of the financial results of the sector and the difficulty in securing funding from the banking system.

See press release (in English).