

## EU law on Competition Restraints Case Study

*P GmbH & Co., a German company (“P”) produces and distributes sewing products. P entered into a series of written agreements with two British companies, C. Holding Ltd (“C”) and E. Group Ltd (“E”), between September 1994 and December 1999. Under these tripartite agreements, the three companies shared or contributed to share product markets. Specifically, they shared the needle market and kept E from competing in other haberdashy (sewing products) markets such as pins or fasteners.*

*In a letter by P, it was pointed out that an additional competitor in the European market for haberdashery products was felt to be the last thing P, C and E needed and that, therefore, the parties should cooperate to make sure that the market would not suffer by self-inflicted injuries.*

*P and C got fined by the Commission. E, having cooperated with the Commission in the investigation under the leniency programme, did not have to pay a fine.*

**Based on ECJ Judgement of 3 September 2009 - C 534/07 P – Prym**

### Questions for presentation and for discussion:

1. Read Article 101 TFEU! What was the violation in this case?
2. What is the business ethics aspect of the case regarding the tripartite agreement?
3. What is the connection between ethics and a functioning market?
4. Can you think of any aspects in favour of the companies involved?
5. What are the ethical issues regarding E’s role as a “whistleblower”?
6. What measures would you recommend to Prym in order to avoid future violations?
7. What other aspects come to your mind?