



Europe

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The Netherlands' Authority for Consumers and Markets (ACM) last week fined 13 suppliers of 'pre-selected magazine packs' more than €6 million for a cartel between 2004 and 2011.



Pre-selected magazine packs are bundles of magazines normally found in waiting areas of places such as hospitals, hairdressers or takeaways.

The ACM found that the 13 suppliers, which between them control virtually the whole of this business in the Netherlands, divided the market, exchanged information and refused to compete with one another.

The authority, then the Netherlands Competition Authority, opened the investigation in 2012 after consumers complained they were unable to change suppliers.

Several executives of the companies were also found liable.

The ACM said that these magazines are an important way for some people to stay informed.

But Marco Slotboom, at VVGB, says it is a "relatively insignificant" sector.

"Given digital developments in the media industry, it may become a declining market," Slotboom said.

Bas Braeken, at Maverick Lawyers, says the authority applied an overly narrow market definition.

"The question [arises] [as to] whether portfolio[s] of magazines are not just part of a broader magazines market," Braeken said. "For such a broader market, the effects of the alleged cartel arrangements will probably be very limited."

The case does fit what appears to be a trend in which the ACM focuses on smaller markets that are less dynamic but where the possible effects are directly felt by the consumers, he says.

The names of the companies and the individual fines have yet to be released.

There were two separate cartel agreements, one in 2004 and the other in 2010, the authority alleged. The conspiracy lasted until 2011.

It is the second cartel fine issued by the ACM since it opened its doors in April.

The ACM is currently consulting on the sectors on which it will focus in the coming two years.

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