

Republic of Serbia

COMMISSION FOR PROTECTION OF COMPETITION

Number: 4/0-02-26/2016-2

Reference: 4/0-02-539/2015-1

Date: January 28, 2016

Belgrade

Pursuant to Article 22(2), Article 57(1), and Article 68(1/2) of the Law on Protection of Competition (“Official Gazette of the Republic of Serbia, no. 51/09 and 95/2013), Article 192 of the Law on General Administrative Procedure (“Official Gazette of the Federal Republic of Yugoslavia, no. 33/97 and 31/01, and “Official Gazette of the Republic of Serbia”, no. 30/2010), Article 3 and 4 of the Regulation on criteria for setting the amount payable on the basis of measure for protection of competition and sanctions for procedural breaches, manner and terms for payment thereof and conditions for determination of respective measures (“Official Gazette of the Republic of Serbia, no. 50/2010), deciding in the competition infringement procedure pursuant to Article 10 of the Law on Protection of Competition, and instituted procedure ex officio against undertaking Umbrella Corporation LTD d.o.o. company with registered head-office at 3, Heroja Milana Tepića Street, Belgrade, against power of attorney by representative Kristina Ristić, General Manager, Nataša Mladenović, entrepreneur, Pharmacy Zvončica Lek with registered head-office at 18, Valjevskog odreda Street, Borča, Zinada Konjević, entrepreneur, S.T.P. Šahin with registered head-office at 18, Knez Mihailova Street, Belgrade-Stari grad, and Jasmina Petrović, entrepreneur, Pharmacy Almil Farm, PIB 63380911 with registered head-office at 10/1, Slobodana Jovanovića Street, Belgrade, the Council of the Commission for Protection of Competition on its 56th Session held on January 28, 2016, enacts the following

DECISION

I IS DETERMINED that the undertakings Umbrella Corporation LTD d.o.o. company with registered head-office at 3, Heroja Milana Tepića Street and Nataša Mladenović, entrepreneur, Pharmacy Zvončica Lek with registered head-office at 18, Valjevskog odreda Street, Borča, by contractual provision of Article 2 of the Agreement on business and technical cooperation, concluded on March 8, 2014, determining the selling price in further sales, have concluded a restrictive agreement not exempt from prohibition, thereby committing a breach of competition from Article 10(1/1) of the Law on Protection of Competition.

II IS DETERMINED that the undertakings Umbrella Corporation LTD d.o.o. company with registered head-office at 3, Heroja Milana Tepića Street and Zinada Konjević, entrepreneur, S.T.P. Šahin with registered head-office at 18, Knez Mihailova Street, Belgrade-Stari grad, by

contractual provision of Article 2 of the Agreement on business and technical cooperation, concluded on December 25, 2013, determining the selling price in further sales, have concluded a restrictive agreement not exempt from prohibition, thereby committing a breach of competition from Article 10(1/1) of the Law on Protection of Competition.

III Restrictive agreements from Paragraph 1 and 2 of enacting terms of this decision are prohibited and void, *ex lege*.

IV MEASURE FOR PROTECTION OF COMPETITION IS ESTABLISHED in the form of commitment payment of monetary sum, against the undertakings from Paragraph I and II of enacting terms of this decision, and in following manner:

- Umbrella Corporation LTD d.o.o. company with registered head-office at 3, Heroja Milana Tepića Street, Belgrade, PIB 20692731, against power of attorney by Kristina Ristić, General Manager, measure for protection of competition in the amount of 0.4% of total annual revenue generated in 2014, calculated pursuant to Article 7 of the Law, i.e., RSD 1,604,944.00.
- Nataša Mladenović, entrepreneur, Pharmacy Zvončica Lek Belgrade-Palilula, PIB 63419168, with registered head-office at 18, Valjevskog odreda Street, measure for protection of competition in the amount of 0.2% of total annual revenue generated in 2014, calculated pursuant to Article 7 of the Law, i.e., RSD 13,124.00.
- Zinada Konjević, entrepreneur, Sole trade proprietorship for wholesale and retail of goods and sale on commission Šahin, PIB 54631774, with registered head-office at 18, Knez Mihailova Street, Belgrade-Stari grad, measure for protection of competition in the amount of 0.2% of total annual revenue generated in 2014, calculated pursuant to Article 7 of the Law, i.e., RSD 13,445.00.

V IS ORDERED to the undertakings from Paragraph 1 and 2 of enacting terms of this decision to established the payment as measure for protection of competition as individually determined in Paragraph IV of enacting terms of this decision into the account of the budget of the Republic of Serbia no. 840 743224 843 94, model 97 - reference number: two-digit control number per model 97 – three-digit number of municipality, city or area – number of this decision.

VI DEADLINE IS SET to three (3) months from the date of receipt of the decision, for the execution of order from Paragraph V of enacting terms of this decision, under the threat of enforcement measure.

VII IS ORDERED to the undertakings from Paragraph 1 and 2 of enacting terms of this decision within 5 (five) days from the date of execution of order pursuant to Paragraph V of enacting terms of this decision, to submit to the Commission for Protection of Competition the proof of executed payment.

VIII IS PROHIBITED to the undertakings from Paragraph 1 and 2 of enacting terms of this decision any further acting that might prevent, limit or distort competition, by explicit or acquiescent contracting provisions containing buyers' obligation to implement minimal, protective, fixed and/or recommended price in further sales.

IX IS REJECTED the proposal for adjournment of proceeding submitted by party to the proceeding, Nataša Mladenović.

X This decision shall be published in the „Official Gazette of the Republic Serbia“ and on the Internet page of the Commission for Protection of Competition.