



Republic of Serbia  
**COMMISSION FOR PROTECTION  
OF COMPETITION**

25/IV Savska St., Belgrade  
Number: 4/0-02-536/2018-1  
Date: July 16, 2018

Pursuant to Article 35(2) of the Law on Protection of Competition (Official Gazette of the RS, 51/2009 and 95/2013), President of the Commission for Protection of Competition enacts the following

**CONCLUSION**

**I PROCEEDINGS IS INSTITUTED** *ex officio* for investigation of infringement of competition against the following undertakings:

- **YUGLOB DOO PRIVATNO PREDUZEĆE ZA SPOLJNU TRGOVINU, TRGOVINU, ZASTUPANJE, POSREDOVANJE, KONSALTING I INŽENJERING I USLUGE, BORČA**, company number 07488971, with registered seat in Belgrade-Palilula, bb Zrenjaninski put St., whose representative is Predrag Stevanić,
- **LEKOVIT DOO ŠABAC**, company number 07829531, with registered seat in Šabac, bb Janka Veselinovića St., whose representative is Dragan Petrović,

in order to establish the existence of restrictive agreements, within the meaning of Article 10 of the Law on Protection of Competition.

**II** All persons in possession of data, documents or other relevant information which could contribute to the accurate fact-finding in the proceedings are called upon to submit said to the Commission for Protection of Competition to the address 25/IV Savska St., Belgrade.

**III** This conclusion shall be published in the Official Gazette of the Republic of Serbia and on the website of the Commission for Protection of Competition.

## *Rationale*

Pursuant to the Conclusion enacted by the President of the Commission for Protection of Competition no. 4/0-02-368/2018-1 of April 24, 2018, the Commission has instituted proceedings *ex officio* against undertakings “Yuglob doo privatno preduzeće za spoljnu trgovinu, trgovinu, zastupanje, posredovanje, konsalting i inženjering i usluge, Borča” (hereinafter referred to as Yuglob) and “„Samostalna trgovinsko komisiona radnja-Bebi butik Roda Avramović Rade preduzetnik Beograd (Zvezdara)“. Pursuant to the Conclusion enacted by the President of the Commission for Protection of Competition no. 4/0-02-368/2018-5 of April 24, 2018, an order to conduct dawn raid on the premises of company Yuglob was issued. During the dawn raid, the General agreement on purchase and sale was found and photocopied, concluded on January 1, 2017 between Yuglob and Lekovit doo Šabac (hereinafter referred to as Lekovit), filed with Yuglob under number 180 of March 13, 2017 (hereinafter referred to as the Agreement).

Upon reviewing the Agreement, it is established as follows:

- Yuglob is regarded as the seller;
- the subject matter of the Agreement concluded with undertaking Lekovit is the sale and delivery of goods to the buyer from the seller’s product portfolio intended for further sale, namely: the Original Pavlović Ointment, baby care products NUK Germany, baby care products TIGEX France and textile;
- in Article 2 of the Agreements, the parties have agreed on the buyer’s commitment not to establish the price of products in further sale below the seller’s invoice price.

Following a detail analysis of the Agreement, the Commission for Protection of Competition (hereinafter referred to as the Commission) has reasonably assumed that company Yuglob, as the seller, and company Lekovit, as the buyer, have established the sale prices and other conditions of trade on the baby care products retail market. The reasonable assumption is based on the fact that the Agreement concerned contain provisions that set the prices in further sale, which restrict the buyer to individually and autonomously make business decisions relating to the company’s price policy.

The provision of Article 10(1) of the Law on Protection of Competition (Official Gazette of the RS, 51/2009 and 95/2013 - hereinafter referred to as the Law), stipulates the following: Restrictive agreements are agreements between undertakings which as their purpose or effect have a significant restriction, distortion or prevention of competition in the territory of the Republic of Serbia.

The provision of Article 10(3) of the Law stipulates that restrictive agreements are prohibited and void, except in cases of exemption from the prohibition pursuant to this Law.

Given a positive assessment on the fulfilment of conditions from Article 35(1) of the Law for instituting *ex officio* proceedings for investigation of competition infringement, and pursuant to the provision of Article 35(2) of the Law, it is decided as in Paragraphs I and II of enacting terms herein.

Pursuant to the provision of Article 40(1) of the Law, where is stipulated that a decision on instituting *ex officio* proceedings is published in the Official Gazette of the Republic of Serbia and on the website of the Commission, it is decided as in Paragraph III of enacting terms herein.

**Instruction on legal remedy:**

This conclusion is not susceptible to special appeal, but is permitted to institute administrative dispute by an appeal before the Administrative Court against the final decision of the Commission.

**PRESIDENT OF THE COMMISSION**

Dr. Miloje Obradović