



Carpet store advertising under investigation by the Hungarian Competition Authority

Budapest, on 21 April, 2022, The Hungarian Competition Authority (GVH) has started an investigation against Szőnyeg galéria Kft., as the Budapest-based undertaking's advertising practice may be unfair in several respects. Among other things, the retailer may try to convince consumers with fake sales and fictitious promotions.

The Hungarian Competition Authority has started proceedings against Szőnyeg galéria Kft. for allegedly misleading consumers in several respects through its advertisements on major commercial television and national radio stations, among others.

The Hungarian Competition Office suspects that the undertaking advertises its market leadership and the size of its product range with allegedly unfounded claims (e.g. "*The biggest and best carpet range in Hungary*"). The undertaking may also use "original" prices as the basis for its promotional prices, which have probably never been used before. The carpet retailer may also misleadingly claim that it is holding a final sale, offering a "*liquidation discount*" on all carpets or "*closing its business permanently*" - while it has no intention of going out of business. Similar to the fake sale, some elements of the undertaking's website - such as a countdown clock - may have been used to urge consumers to buy as soon as possible, but presumably had no real effect on the availability of the sale.

The starting of competition proceedings does not mean that the undertaking has committed the infringement. The procedure aims at clarifying the facts and thereby proving the alleged infringement. The time allowed for the procedure is three months, which may be extended twice, each time for a maximum of two months, if justified.

The official registration number of the case is: **VJ/13/2022.**

GVH Press Office