



GAZDASÁGI
VERSENYHIVATAL

Daily fine for non-compliance with the obligations imposed by GVH

Several undertakings are to pay enforcement fines on a daily basis for non-compliance with the obligations established by the decision of the Hungarian Competition Authority.

On 8 July 2008, the Hungarian Competition Authority (GVH) established that the practices of *StemXcell Kft.*, *Crystal Institute Kft.*, *Dunai és Társa Bt.* and *Flavinárium Első Magyar Flavonoid és Antioxidáns Termék Forgalmazó Zrt.* were likely to deceive consumers, when in 2007 and 2008 they stated in advertisements that Olimpik StemXcell nutritional supplement is able to multiply and protect stem-cells and there is a correspondence between health and the product, thus the latter has curative power. The GVH prohibited the continuation of the infringement by *StemXcell Kft.*, *Crystal Institute Kft.*, *Dunai és Társa Bt.* and *Flavinárium Első Magyar Flavonoid és Antioxidáns Termék Forgalmazó Zrt.* after 15 days of the receipt of the decision.

The GVH ordered the undertakings concerned to put - within 15 days of the receipt of the decision - the operative part of the decision visibly, without any comments, for half a year following its publication, on the homepage of all the webpages operated or run by them, where they provide any kind of information in connection with Olimpik StemXCell.

Furthermore the GVH imposed fines of HUF 10 million (approx. EUR 37 thousand) on *StemXcell Kft.*, HUF 25 million (approx. EUR 92 thousand) on *Crystal Institute Kft.*, HUF 500 thousand (approx. EUR 1,8 thousand) on *Dunai és Társa Bt.* and HUF 15 million (approx. EUR 55 thousand) on *Flavinárium Első Magyar Flavonoid és Antioxidáns Termék Forgalmazó Zrt.*

The GVH also held a post-investigation in the case in order to check the compliance with the obligations provided in the decision. For this reason the GVH obliged the undertakings under investigation to provide information about the fulfilment of the obligations. However, since they did not meet the request within the time limit provided by the GVH, they got procedural fines. *Flavinárium Első Magyar Flavonoid és Antioxidáns Termék Forgalmazó Zrt.* received a fine of HUF 6,65 million (approx. EUR 24 thousand), *Crystal Institute Kft.* HUF 5,35 million (approx. EUR 20 thousand), *Dunai és Társa Bt.* HUF 72 thousand (approx. EUR 260) and *StemXcell Kft.* HUF 830 thousand (approx. EUR 3000).

Between 8 August 2008 and 8 February 2009 the undertakings should have published the decision of the GVH on their webpages, but the post-investigation revealed that they failed to comply with the obligation. Therefore the GVH ordered the enforcement of its decision and hereby imposed enforcement fines on the undertakings concerned. *StemXcell Kft.* is to pay HUF 35 thousand (approx. EUR 130), *Crystal Institute Kft.* HUF 40 thousand (approx. EUR 150), *Dunai és Társa Bt.* HUF 5 thousand (approx. EUR 20), *Flavinárium Első Magyar Flavonoid és Antioxidáns Termék Forgalmazó Zrt.* HUF 30 thousand (approx. EUR 110) per

day as long as they refuse to fully comply with the obligations established in the decision of the GVH, until the fulfilment is justified.