



GAZDASÁGI
VERSENYHIVATAL

GVH investigates alleged concrete cartel

Dawn raids were conducted by the Cartel Section of the Hungarian Competition Authority (GVH) on 11 December 2008 at the premises of Abeton-Viacolor Térkő Gyártó és Kereskedelmi Zrt., Betonpartner Magyarország Kereskedelmi és Szolgáltató Kft., Cemex Hungária Építőanyagok Kft. (earlier Danubiusbeton Betonkészítő Kft.), Frissbeton Betongyártó és Forgalmazó Kft., Holcim Hungária Cementipari Zrt., Strabag Építő Zrt., TBG Hungária-Beton Befektető, Gyártó és Forgalmazó Kft. and TBG Frissbeton Betongyártó Kft.

The GVH initiates a competition supervision proceeding against the undertakings mentioned above because it may be supposed, based on the information available, that since around 2002 representatives of the leading Hungarian concrete manufacturers have met and negotiated on a regular basis to keep concrete prices high, to allocate the market and to retain the present status quo on the market. In most of the cases the meetings are held at the headquarters and premises of the undertakings. As a further characteristic of the meetings, they are usually about the prices and the market of the given geographic area.

Based on information received on 31 July 2008, Strabag "the Austria-based construction company with substantial Hungarian interests acquires Cemex Hungária Építőanyagok Kft. and Cemex Austria AG, Hungarian and Austrian subsidiaries of the Mexican Cemex Group." Also based on information available, the GVH assumes the acquisition to be motivated by the consideration that for the case of receiving authorisation for the transaction, Strabag would have already agreed with the other leading players of the Hungarian market about the allocation (resale) of the assets acquired or about their possible shutdown (market allocation). Based on the information available, the acquisition would basically mean the allocation of the concrete plants between the concrete manufacturers (TBG group, Holcim) that are supposed to be participants in the alleged price cartel.

The GVH may conduct on spot inspections without any preliminary notification – which instrument is also available under Community law to the European Commission – based on the Competition Act. Pursuant to the provisions of the Competition Act, the inspections require prior judicial authorisation.

The initiation of the competition supervision proceeding does not mean that the undertakings in question actually committed the infringement. The proceeding targets the clarification of the facts and thus to prove that the infringement assumed has been committed. According to the Act such proceedings must be closed within 180 days, however this time limit can be extended two times by further 180 days each, depending on the complexity of the case.

Case number: **Vj-148/2008**

Budapest, 12 December 2008.

Hungarian Competition Authority
Communication Group

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