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Lithuanian Competition Council terminates its investigation into the actions of Maxima LT

In April 2023 the Lithuanian Competition Council ('LCC') decided to terminate its investigation into the actions of the major retailer Maxima LT.

The LCC's investigation was launched in 2022 after receiving information suggesting that the company was taking prohibited actions towards its suppliers by linking the terms of supply of the goods it purchased to the terms of supply applicable to other companies, and thus violating the Law on the Prohibition of Unfair Practices of Retailers of the Republic of Lithuania (the 'Law'). The Law protects the rights of the food and beverages suppliers against the country's five major retailers who may apply unfair trading practices toward their suppliers due to their market power.

The LCC decided to terminate its investigation because any further scrutiny of Maxima LT's actions could harm the interests of the suppliers who had provided it with the relevant information. Indeed, under the Law, the LCC is obliged to keep the identity of suppliers who provide relevant information confidential upon request. Moreover, if there is a risk that the identity of the suppliers would nevertheless become known or that their interests would be harmed, the LCC may terminate its investigation into the suspected breach.

Even though the goal of the Law is to protect the suppliers against the major retailers, it seems that such protection is not always possible. The case shows that the rights of the suppliers in relations with the major retailers cannot not always be protected if the suppliers do not want to be identified.