Distribution Law Center
DRIVEN BY CONTRAST

TEGOS LAW FIRM

NEWS | 3 January 2025

Lithuanian Competition Council imposed fines on dietary supplements and cosmetics supplier and its distributors for price fixing agreement

In November 2024 Lithuanian Competition Council ('LCC') found that 'Giantera' the official representative of the 'Dr. Ohhira' brand in Lithuania, and 19 of its distributors agreed not to sell 'Dr. Ohhira' dietary supplements and cosmetics below supplier-indicated prices or offer any discounts or promotions. For this prohibited agreement, a total fine of 1,415,520 EUR has been imposed on the companies involved.

'Giantera' required distributors to strictly adhere to its indicated prices and not to apply any discounts or promotions to 'Dr. Ohhira'-branded products. In their correspondence with distributors, 'Giantera' representatives repeatedly emphasized that everyone must apply the same pricing strategy and refrain from lowering prices for end consumers.

'Giantera' monitored distributors for compliance, issued warnings, and even suspended supply to those undercutting prices. Distributors themselves also monitored each other's prices and informed 'Giantera' upon noticing lower ones.

Taking into account the companies' revenues, the severity of the violation, and its duration, the LCC imposed fines of corresponding amounts on the violators: 'Giantera' – 398,600 EUR; 'Bio Sala' – 187,720 EUR; 'Filmai ir kvapai' – 100,950 EUR; Universiteto vaistin? – 56,580 EUR; 'Apotheka Pharma' pharmacy – 37,890 EUR; Pil?n? pharmacy – 28,000 EUR; 'Newglow' pharmacy – 22,070 EUR; 'Alatona' – 18,100 EUR; 'Bioklinika' – 12,380 EUR; Operos pharmacy – 7,910 EUR; 'Eko 123' – 5,840 EUR; 'Creator Japonicus' – 2,460 EUR; 'Urticae' pharmacy – 1,390 EUR; and the 'Unavita' clinic – 720 EUR.

The 'Entafarma' group (comprising 'Entafarma' and Mano vaistin?) cooperated with the institution from the start of the investigation, so its fine was reduced by 75%. Since the group acknowledged the investigation's findings, the joint fine was further reduced by 15% to 2,830 EUR.

At the end of the investigation, the EV group (comprising 'Azeta' pharmacy, 'Azeta', EVD, and 'Euroapotheca') also acknowledged the violation. As a result, its fine was cut by 15%, amounting to a joint penalty of 532,080 EUR.

Due to insufficient evidence that Atgijos pharmacy, 'Soderma', Žvej? pharmacy, 'Eurovaistin?', and the company 'UnaVita' took part in the prohibited agreement, the investigation regarding these companies was terminated.

The official decision is available here.