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Lithuanian Competition Council fines heat pump manufacturer for vertical price fixing

In December 2024 Lithuanian Competition Council ('LCC') found that the company 'Iglu Tech' imposed resale price levels for its heat pumps and dictated the discount rates that had to be applied by distributing companies throughout Lithuania. 'Iglu Tech' and its parent company 'Unit Invest' were jointly fined 909,280 EUR.

The investigation showed that the contracts with distributors of 'Iglu Tech' were specifying not only the resale price of heat pumps but also capping the maximum discount they could offer. The company actively monitored these prices and discounts in distributors' online stores, issued warnings and requests for price adjustments, and threatened to terminate agreements if distributors sold the products at lower prices than those mandated by the manufacturer.

Important to note that although 'Iglu Tech' often referred to its product prices as 'recommended' in both contracts and correspondence, the investigation showed that these prices were actually obligatory.

The official decision is available here.