

# Recent developments in Swiss competition law

#### Prof. Christian Bovet







#### 1. Introduction

- Main issues of interest to in-house counsel
- Evaluation of Swiss competition law under way
- Human resources and financial means of Comco: a problem?

**DPC/RPW 2007/2**, p. 174 « *TARMED* »

Private enforcement in Switzerland: a remedy?
 DPC/RPW 2007/3, p. 495 « Cheesemaker »







### 2. Arbitration

- ATF/BGE 118 II 193 (1992) *G. S.A. vs V. S.p.A.* Arbitrability and jurisdiction issue
- ATF/BGE 130 III 35 (2003) A. vs. B. Ltd et al. Ex officio and right to be heard
- ATF/BGE 128 III 234 (2002) X. Ltd contre Y. BV
  Arguments to be presented to and addressed by the arbitration tribunal and the Federal Court
- ATF/BGE 132 III 389 (2006) X. S.p.A. contre Y. S.r.I. Competition law is not part of (international) public policy







## 3. Dominant positions: *Publigroupe*

- Different conditions applied to similar transactions by an undertaking holding a dominant position should in principle be considered as an abuse
- However, this may be admitted in limited cases, e.g. when an intermediary receives a double fee
- Reaching an amicable settlement does not rule out sanctions

**DPC/RPW 2007/2**, p. 190 « Guidelines »







## 4. Dominant positions: Swisscom

- Market: wholesale mobile termination rates
- Dominant position of Swisscom
- On the other hand, at least until May 2005, no dominant position of Orange and Sunrise according to Comco
- Abuse of Swisscom's dominant position sanctioned by a CHF 333,365,685 fine => appeal pending (1st)

**DPC/RPW 2007/2**, p. 241 Swisscom







#### 5. Computation of fines

**OSLCart 6** (Mit. circ.)

**Setting** 

Leniency: **Immunity/** Reduction

OSLCart 5 (Agg. circ.): up to 10% TO CH in the relevant markets, 3 years

49a II: collaboration in detection + suppression

OSLCart 4 (add.): **Practice lasts 1-5 years:** up to 50%, over 5 years: +10% / add. year

**Practices** 

**5 III** 5 IV

-Disclosure -Statute of limitation

-Exc. authorisation

**OSLCart 3 (basic amount):** up to 10% TO CH in the relevant markets, 3 years

Max. 10% TO CH, years



49a III:







## 6. Merger control: Swissgrid

#### Swiss law is merger-friendly:

- rather high thresholds
- EC standard (Reg. 139/2004, Art. 2): « ...not significantly impede effective competition in the common market or in a substantial part of it »
- Vs. Swiss standard (LCart/KG, Art. 10): « ...able to eliminate effective competition »
- ATF/BGE 133 II 104 Swissgrid:

test stricter for merger control than for (existing) dominant positions







## 7. Merger control: retail distribution

- Most recent decisions, in particular:
  - DPC/RPW 2006/1, p. 131 Denner/Pickpay
  - DPC/RPW 2008/1, p. 129 Migros/Denner
  - Coop/Carrefour (to be published)
- One trend: market consolidation and concentration
- Several risks (only?):
  - Collective dominance in three segments of local markets
  - But also in upstream markets (buying power)
- However, corrective measures considered as sufficient







## 8. Procedural questions

- No right to obtain the opening of a formal investigation according to LCart/KG, Article 27 DPC/RPW 2007/3, p. 478 « Credit cards »
- No right to obtain a « declaratory » decision in relation to abstract situations relating to an indefinite number of persons or undertakings
   Idem
- Comco's new Notice on business secrets

<u>www.weko.admin.ch/publikationen/00213/Merkblatt\_Geschaefts</u> geheimnisse-f.pdf?lang=fr&PHPSESSID=951c



