

LUXEMBOURG

IT5PBOUHCTAHLIUOHEH CЪД HA EBPOTEЙCKUTE OБЩНОСТИ TRIBUNAL DE PRIMERA INSTANCIA DE LAS COMUNIDADES EUROPEAS SOUD PRVNÍHO STUPNĚ EVROPSKÝCH SPOLEČENSTVÍ DE EUROPÆISKE FÆLLESSKABERS RET I FØRSTE INSTANS GERICHT ERSTER INSTANZ DER EUROPÄISCHEN GEMEINSCHAFTEN EUROOPA ÜHENDUSTE ESIMESE ASTME KOHUS IPΩTOΔIKEIO TΩN EYPΩITAÏKΩN KOINOTHTΩN COURT OF FIRST INSTANCE OF THE EUROPEAN COMMUNITIES TRIBUNAL DE PREMIÈRE INSTANCE DES COMMUNAUTÉS EUROPÉENNES CÚIRT CHÉADCHÉIME NA GCÓMHPHOBAL EORPACH TRIBUNALE DI PRIMO GRADO DELLE COMUNITÀ EUROPEE EIROPAS KOPIENU PIRMĂS INSTANCES TIESA EUROPOS BENDRIJŲ PIRMOSIOS INSTANCIJOS TEISMAS Az EURÓPAI KÖZÖSSÉGEK ELSŐFOKÚ BÍRÓSÁGA IL-QORTI TAL-PRIMISTANZA TAL-KOMUNITAJIET EWROPEJ GERECHT VAN EERSTE AANLEG VAN DE EUROPESE GEMEENSCHAPPEN SĄD PIERWSZEJ INSTANCI WSPÓLNOT EUROPEJSKICH TRIBUNAL DE PRIMEIRA INSTÂNCIA DAS COMUNIDADES EUROPEIAS TRIBUNALUL DE PRIMÄ INSTANȚĂ AL. COMUNITĂȚILOR EUROPENE SÚD PRVÉHO STUPŇA EURÓPSKYCH SPOLOČENSTIEV SODIŠČE PRVE STOPNIE EVROPSKIH SKUPNOSTI EUROOPAN YHTEISÖJEN ENSIMMÄISEN OIKEUSASTEEN TUOMIOISTUIN EUROPEISKA GEMENSKAPERNAS FÖRSTAINSTANSRÄTT

Press and Information

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Judgments of the Court of First Instance in Case T-30/05 and Case T-36/05

William Prym GmbH & Co. KG and Prym Consumer GmbH & Co. KG v Commission of the European Communities Coats Holdings Ltd and J & P Coats Ltd v Commission of the European Communities

THE COURT OF FIRST INSTANCE REDUCES THE FINES IMPOSED ON PRYM AND COATS FOR THEIR PARTICIPATION IN A CARTEL IN THE NEEDLES MARKET

Fines reduced from EUR 30 million for each group of companies to EUR 27 million for Prym and EUR 20 million for Coats

By a decision dated 26 October 2004, the Commission found that three groups of companies, Prym, Coats and Entaco, had participated in a series of anti-competitive agreements by which they shared product and geographic markets in the needles sector between September 1994 and December 1999. Prym and Coats were each fined EUR 30 million. Entaco was not fined, because it cooperated with the Commission.

Prym and Coats brought actions before the Court of First Instance for annulment of the decision and for annulment or reduction of their respective fines.

Prym Group

The Court dismisses the application for annulment of the decision as regards Prym.

However, the Court holds that the Commission was wrong to refuse to reduce the fine for noncontestation of the facts, as provided for in the 1996 Leniency Notice. Although Prym never actively assisted the Commission in clarifying various issues, it did declare expressly that it did not dispute the facts set out in the statement of objections. That declaration is, in itself, sufficient for a reduction to be granted in accordance with the Leniency Notice.

Accordingly, the Court considers it appropriate to reduce the fine by 10%. The final amount of the fine imposed is therefore EUR 27 million.

Coats Group

The Court finds that the decision is vitiated by an error of assessment in so far as the Commission seeks to establish Coats' liability in respect of the period after 13 March 1997. The Commission has not proved that the agreements signed in 1997 were a continuation of a tripartite cartel to which Coats was a party. Moreover, Coats did not participate in any trilateral meeting, and thus in any meeting to implement the Entaco/Prym cartel, after April 1997. Accordingly, the Court annuls the decision in so far as the decision finds that Coats participated in the cartel after 13 March 1997.

The Court considers that in order to take account of the proven duration of the infringement, which is equivalent to approximately half of the period initially determined by the Commission, the rate of increase on account of the duration of the infringement should be reduced from 50% to 25%, that is, from EUR 10 million to EUR 5 million.

Finally, the Court holds that Coats' role was essentially limited to facilitating the entry into force of the cartel's Heads of Agreement. In that context, the Court notes that Coats did not participate in the meetings between Entaco and Prym after 1993 and did not obtain any protection from Prym, which continued to compete with Coats through its needle brands. Since Coats' role is therefore more akin to that of a mediator than that of a full member of the cartel, the Court considers it appropriate to reduce the amount of the fine by 20% to take account of those attenuating circumstances.

The total amount of the fine imposed on Coats is therefore EUR 20 million.

REMINDER: An appeal, limited to points of law only, may be brought before the Court of Justice of the European Communities against a decision of the Court of First Instance, within two months of its notification.

Unofficial document for media use, not binding on the Court of First Instance.

Languages available: FR BG CS DE EN ES EL HU IT PL RO SK SL

The full text of the judgment may be found on the Court's internet site <u>http://curia.europa.eu/jurisp/cgi-bin/form.pl?lang=EN&Submit=rechercher&numaff=T-30/05</u> <u>http://curia.europa.eu/jurisp/cgi-bin/form.pl?lang=EN&Submit=rechercher&numaff=T-36/05</u> It can usually be consulted after midday (CET) on the day judgment is delivered.

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