

EUROPEAN ECONOMIC COMMUNITY

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PRESS RELEASE

Communication from the Commission to the firms concerned  
in a European agreement on quotas, and  
prices for natural sands

The Commission of the European Economic Community has informed a number of German, Belgian and Dutch producers and dealers that, after preliminary examination, it considers that a cartel notified by them concerning quotas, and prices for the Netherlands market falls under the ban contained in Article 85(1) of the EEC Treaty and does not qualify for exemption under Article 85(3).

The Commission's action is based on Article 15(6) of Council Regulation No. 17, and means that the Commission can now impose fines on the firms concerned if they wilfully or through negligence infringe the ban on restrictive agreements contained in the Treaty. Until receipt of the Commission's communication, the firms were immune from fines by virtue of having notified the Commission of their restrictions on competition.

The six producers concerned (four Belgian, one German and one Dutch) had notified the Commission of two agreements. The first fixes quotas for sales on the Netherlands market of a material (natural sand) which is used, among other things, in ceramics and the manufacture of abrasives, soaps, paints and enamel.

Under the terms of the second agreement, the four sales agents concerned can obtain the material only from producers who are parties to the first agreement, unless none of the producers have any of the material available. In addition, minimum selling prices are fixed by the group of sales agents. Fines can be imposed for non-observance of the provisions contained in the agreement.

After a preliminary examination of its material content, the Commission came to the conclusion that the agreement excludes competition between German and Belgian firms and the only Dutch manufacturer of the product in question, and that it is therefore incompatible with the common market and is prohibited.

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