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EEC COMMISSION PUBLISHES FIRST DETAILS
FROM 'NEGATIVE CLEARANCE' REQUESTS
MADE UNDER COMMON MARKET ANTITRUST POLICY

WASHINGTON, JULY 9---The Commission of the European Economic Community has published for the first time details from 'negative clearance' applications made by business firms under the Common Market's antitrust policy, it was announced today in Brussels.

(Under EEC antitrust policy, private firms may apply for such 'negative clearance' on agreements made with other firms, thus making sure that these agreements are not deemed antitrust violations by the Commission.)

Both applications are by French firms. Both concern agreements with companies outside the Common Market.

One of the published applications concerns a mutually exclusive dealing agreement for plastic products concluded between Grosfillex of Armentières (AIN), the French company, and Messrs. Fillistorf of Zurich, a Swiss firm, whereby the Swiss firm is forbidden to export products covered by the agreement to the Common Market or non-member countries, or to produce or deal in competing products. The agreement also entails price and discount control on Swiss territory.

The second agreement is between Nicholas Freres of Chatou, a French firm, and Vitapro (UK) Ltd. of London, a British company. Under the agreement, the French firm, a manufacturer of hairdressing articles, has sold part of its assets to Vitapro for use in countries outside the Common Market. The assets sold include goodwill, commercial marks and trademarks, right to use a certain name, and know-how. The contracting parties have also undertaken to consult each other on technical questions for a certain period. The agreement also contains restrictions on the parties' freedom of trade which are tantamount to a form of market-sharing.

Commission Approval Inferred

The Commission has published the details of the applications so that any interested third parties may notify it of objections to the agreements. This is to be done within a 35-day period.

The publication implies that the Commission intends to issue the 'negative clearances' requested, unless objections by third parties or new facts throw new light on the applications.

The published applications are significant beyond themselves. The EEC Commission has been informed of several hundred exclusive dealing agreements concerning markets outside EEC countries, and these two cases can be considered as setting precedent for future decisions on similar agreements.

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