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FOR IMMEDIATE RELEASE

NEW ANTITRUST REGULATION IN COMMON MARKET

WASHINGTON, D. C., November 10 -- The Commission of the European Economic Community has drafted the first regulation putting teeth into the Common Market Treaty's antitrust provisions, it has been announced in Brussels. The "European law" would outlaw the establishment of new cartels within the six-nation Community, require the registration of already-existing cartels which ultimately will be required to comply with the antitrust provisions of the treaty, and authorize the Commission to impose fines.

The regulation will not be submitted to the Community's Council of Ministers. The treaty calls for a unanimous vote of the Council on such a proposal within three years of its entry into force, which means by January 1961. If approved after that date, the Council must act by majority decision.

This first antitrust regulation confirms prohibitions against price-fixing, market-sharing, and limitation of markets, production, technical development, or investment as outlined in Article 85 of the treaty. It also stipulates that a new enterprise making a request for exemption from any of these regulations must receive approval of the Commission. Appeals against Commission decisions may be made before the Court of Justice.

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Existing cartels covered by the regulation must register with the Commission within six months of the regulation taking effect. Failure to register, the giving of false statements, or the refusal to provide proper records when an investigation has been ordered can subject the offending firm to fines ranging from \$100 to \$5,000 according to the new regulation. Specific procedures for imposing fines will be dealt with in a future regulation.

The present regulation is so worded as to insure the continued close cooperation between the executive branch of the EEC and antitrust authorities in the member countries of the Community. Before the Commission makes a decision, it is required to consult the national authorities of the country concerned.

Certain arrangements are declared exempt from compulsory registration under the regulation: price-maintenance contracts, license contracts, and agreements for exclusive dealing.

Information on the new antitrust regulation was released at a press conference in Brussels held by Commissioner Hans von der Groeben on November 8. Further details of the conference and transcripts of the applicable articles from the Common Market Treaty may be obtained from the European Community Information Service, 236 Southern Building, Washington 5, D. C., telephone NATIONAL 8-5070.

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