

## PRESS RELEASE

The CNMC fines Vaillant for the restrictions it imposed on its network of authorised gas boiler repairers.

- It limited the activity of operators outside its network in the areas of aftersales service, and repair of boilers and heating and hot water appliances.
- It restricted their territorial activities, hindered the supply of spare parts and set prices for its own network of operators.
- The total amount of the fine imposed is 859,763 euros.

**Madrid, 26 November 2019 -** The CNMC has fined the Vaillant Group for imposing restrictions on its network of authorised repairers of boilers. The total amount of the fine is 859,763 euros. (\$/0629/18)

Specifically, the illegal conduct consisted of limiting the activities of independent technical after-sales service providers for boilers and heating and hot water appliances. Said limitations consisted of preventing them from rendering their services outside a given territory; setting the rates that its network of technical services charged end consumers; and requiring the exclusive use of spare parts provided or authorised by the Vaillant Group. All of these actions are contained in contracts signed with independent repair services and are deemed to be *vertical restraints*. This is a serious violation of Article 1 of the Anti-Trust Law.

However, the new contracting model that the Vaillant Group has signed with independent repair service providers since 2014 has eliminated the clauses that restricted competition that were present in previous contracts

The events occurred between May 2004 and June 2018 (until the final contracts with the anti-competitive clauses were replaced). The investigation began after the CNMC received a tip through the <a href="whistleblower mailbox">whistleblower mailbox</a> that is used to report these practices to the CNMC.

The fines imposed are as follows:

- RED OFISAT, SLU: 819,763 euros.
- SAUNIER DUVAL DICOSA, SAU: 20,000 euros
- VAILLANT, SLU: 15,000 euros
- VAILLANT SAUNIER DUVAL IBÉRICA, SL: 5,000 euros

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The fines for the companies of the VAILLANT Group were reduced due to their active and helpful collaboration with the CNMC, as well as for voluntarily terminating the infraction before receiving the Statement of Facts.

This Resolution cannot be appealed through administrative channels, though the companies may bring an application before the National Court within two months after the day the Resolution is filed.

Any person or company that believes it has been affected by the anti-trust practices described in this Resolution may file a claim for damages, in civil court, associated with the aforementioned conduct for violating anti-trust laws.

The fight against cartels is a priority for the CNMC, which reminds the public that it offers a <u>Leniency Programme</u>, through which companies and/or managers that have taken part in a cartel can provide information, in writing or orally at CNMC offices, in exchange for complete immunity or a reduction in the associated fine.

Likewise, the CNMC has set up a <u>Whistleblower Mailbox</u> where operators can provide information to the competition authority about these very serious infractions.

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