

## PRESS RELEASE

### **The CNMC initiates disciplinary proceedings against 14 companies in the film distribution market**

- It is investigating potential anti-competitive practices by six major film distributors, an audience ratings company and a company that provides digital display services to theatres.

**Madrid, 23 October 2019** - The CNMC Competition Directorate has initiated disciplinary proceedings against 14 companies for engaging in potential anti-competitive practices in the film distribution market. (S/0001/19 FILM DISTRIBUTION)

The major distributors and the integrating company Ymagis are alleged to agree to harmonise their commercial policies. The major distributors are also alleged to have exchanged commercially sensitive information in collaboration with the Rentrak ratings company, in the Spanish film distribution market.

Specifically, the proceedings are undertaken against: The Walt Disney Company Iberia, S.L. and, jointly, its British parent, The Walt Disney Company Limited; Sony Pictures Entertainment Iberia S.L. and, jointly, its British parent company, Columbia Pictures Corporation LTD; Warner Bros Entertainment España S.L. and, jointly, its Dutch parent company, Warner Bros Entertainment Nederland BV.; Hispano Foxfilm, SAE; Universal Pictures International Spain S.L.; Paramount Spain S.L. and, jointly, its British parent company, Paramount Pictures International Limited; Ymagis Spain S.L. and, jointly, its French parent company, Ymagis SA.; Rentrak Spain SL. and, jointly, its Dutch parent company, Rentrak BV:

The reason for these disciplinary proceedings is possible anti-competitive practices prohibited in Article 1 of Law 15/2007, the Anti-Trust Law, as well as in Article 101 of the Treaty on the Functioning of the European Union (TFEU).

A period of at most 18 months is thus opened for investigating this case and for the CNMC to decide on its outcome. The opening of these proceedings does not presume the final result of the investigation.

Agreements between competitors constitute a very serious violation of the antitrust law. It can result in fines of up to 10% of the total turnover of the offending companies.

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The investigation of cartels is one of the CNMC's top priorities, given the particular seriousness of their consequences on consumers and on the proper operation of the markets.

To this end, the CNMC has, among other instruments, a [Leniency Programme](#), through which companies that are part of a cartel can receive immunity from fines in exchange for providing information to the CNMC that allows it to prove the existence of the cartel.

In addition, the CNMC has an [online whistleblower platform](#) to identify cartels that allows the public to provide anonymous information on possible secret agreements between competing companies involving pricing or other commercial conditions, the distribution of markets or customers, or the fraudulent distribution of public or private tenders.

We also note that the prohibition to contract companies that are sanctioned for serious infringements involving the distortion of competition, contained in Article 71 of Law 9/2007 on Public Sector Contracts, includes an exception, in Article 72.5 of said Law, for companies that request leniency.

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