

PRESS RELEASE

The CNMC accepts proposed commitments by Adidas Spain

- The company accepts the condition to remove the post-contractual non-competition clause included in some franchising agreements.
- Adidas will eliminate the ban on cross-sales between distributors in general and between franchisees in particular.
- It will clarify the requirement to provide prior notice of the internet addresses used by distributors.

Madrid, 18 February, 2020 - The CNMC has accepted commitments to ending the case initiated against Adidas Spain for alleged conduct prohibited by Law 15/2007, the Anti-Trust Law (LDC), in the Spanish retail market for clothing and footwear. ([S/DC/0631/18 ADIDAS](#)).

Using commitments to close a disciplinary case is one way to terminate infringement proceedings. Under these circumstances, the CNMC accepts the binding conditions voluntarily offered by the alleged offender without imposing a fine.

Case ([S/DC/0631/18 ADIDAS](#)) was initiated ex officio following the complaint filed by an Adidas franchisee in November 2018. The sports equipment manufacturer defines its commercial relationships with its distributors through written contracts that include general conditions of sale and other specific conditions to the internet.

Such conditions have changed over time and different versions of franchise contracts signed at different times were simultaneously in effect. These contracts contained various anticompetitive practices that restricted online sales and advertising, and cross-selling. In addition, certain non-competition post-contractual obligations were imposed into some franchisees.

Commitments proposed by Adidas

Adidas offered remedies intended to eliminate the competition problems identified. Specifically, the commitments involve the proactive communication of a new contractual framework with the following modifications:

- Delete the post-contractual non-competition clause included in some franchise agreements.
- Clarify the requirement to provide prior notice of the internet addresses (URL) used by distributors.

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- Eliminate the ban on cross-sales between distributors in general and between franchisees in particular.

The CNMC believes that these conditions adequately address the anticompetitive issues identified and will monitor their compliance. Any violation thereof shall be considered a very serious infraction.

Atypical solution

Settlement is provided for in Article 52 of the LDC. It is an atypical method for ending an administrative procedure. It enforces conditions that are offered voluntarily by the alleged offender and bypasses the need to rule on the existence of a violation or to impose a fine.

The purpose of a settlement is twofold. On the one hand, it quickly restores the conditions of competition through remedies that address the problems and safeguard consumer welfare and the public interest. On the other hand, it upholds the principle of administrative effectiveness by reducing the inquiries involved and expediting the resolution of the disciplinary proceedings.

Main cases resolved through commitment procedures

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|------------------------------|---|------------|
| S/0498/13 | CLUB EXCELENCIA EN GESTIÓN VÍA INNOVACIÓN | 26/02/2015 |
| S/0466/13 | SGAE - AUTORES | 09/07/2015 |
| S/DC/0522/14 | THYSSENKRUPP | 12/01/2016 |
| S/DC/0510/14 | FOOD SERVICE PROJECT | 10/03/2016 |
| S/DC/0548/15 | SCHWEPPES | 29/06/2017 |
| S/DC/0567/15 | PHARMACEUTICAL INDUSTRY MARKET STUDIES | 13/07/2017 |
| S/DC/0604/17 | MEDIAPRO FOOTBALL | 07/02/2018 |
| S/0630/18 | AGIC GNSUR | 11/10/2018 |
| S/0631/18 | ADIDAS SPAIN | 06/02/2020 |

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