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Competition - Turkey

Competition Board releases decision on information exchanges

Contributed by ELIG

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The Competition Board recently announced a decision(1) regarding the Automotive Distributors Association. The decision was given pursuant to a request to grant negative clearance or individual exemption to the association in relation to the publication of information in reports that were shared through its website, database and other means.

The decision is important as in the first half of 2011, the board fined(2) undertakings active in the motor vehicle sector, which are members of the association, for exchanging sensitive commercial information between them. Therefore, it could be said that through this decision, the board has set the ground rules for information exchanges in the motor vehicle sector.

Similar to the EU approach to information exchanges, the board indicated in its decision that the structure of the market and the nature of the information to be exchanged are the main variables in assessing the competitive effects of an exchange of information. While information exchanges could have pro-competitive effects in competitive markets, they may prove to be anti-competitive and facilitate agreements between competitors in oligopolistic markets. Further, it is also accepted that aggregated and historical (ie, at least one year old) information has a relatively less anti-competitive effect in the market.

The board granted negative clearance to information exchanges that are "related to the number of personnel, authorised distributors and number of service stations of producers and importers of motor vehicles". However, the board found the exchange of the following information problematic:

- quarterly data showing the number of passenger cars and light commercial vehicles sold in each city;
- quarterly launching studies of new motor vehicle models; and
- market shares of fleet sales broken down into the following categories:
 - government sales;
 - · sales to rental companies;
 - taxi sales;
 - leasing; and
 - · private sales.

The board permitted the exchange of the abovementioned information on the following conditions:

- City-based quarterly data should not include a breakdown into brands, models or any other further sub-breakdown.
- Disclosures with respect to launches should not include information that would give rise to coordination effects, such as recommended or final prices, sales strategies, sales targets and supply and demand amounts.
- Information with respect to actual titles/names of the purchasers should not be disclosed when publishing information regarding fleet sales.

For further information on this topic please contact Gonenc Gürkaynak at ELIG by telephone (+90 212 327 17 24), fax (+90 212 327 17 25) or email (gonenc.gurkaynak@elig.com).

Endnotes

(1) Competition Board's Automotive Distributors Association Decision 11-43/916-285,

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dated July 14 2011.

(2) Competition Board 's Decision 11-24/464-139, dated April 18 2011.

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