

# UNFAIR PRACTICES OF RETAILERS

## DO YOU KNOW THAT RETAILERS HAVING SIGNIFICANT MARKET POWER:



shall not apply any "entry fees", ask for "compensation" for unsold food products, equipping or renovating the stores, as well as require to **cover expenses** resulting from consumer complaints;



shall not **ask to buy** goods or services from third parties specified by the retailer;



shall not relate the **prices and supply conditions of goods** supplied to the retailer with the prices and supply conditions which the supplier applies to other buyers;



shall not change any basic supply procedures or specifications of the goods without notifying thereof **10 days in advance**;



shall not ask to take back unsold **perishable foods**;



shall not ask to allocate **marketing budget** or pay for the arrangement of the goods in retail stores without any written consent between the parties;



shall buy and return goods **at the same price**.

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**THE AFOREMENTIONED UNFAIR PRACTICES BY MAJOR SUPERMARKET CHAINS MIGHT RESULT IN A FINE OF UP TO EUR 120,000.**

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## RESALE PRICE MAINTENANCE

Suppliers are prohibited from agreeing with retailers on minimum or fixed prices ("shelf prices") of goods. Such agreements between the suppliers and retailers may result in fines of up to 10 per cent of the annual turnover in the preceding business year, as well as personal liability for the managers of the companies.

The risks of price collusion might also occur if the supplier implements the retailer's requirements to:



ensure specific (minimum or fixed) **retail prices** in other retail chains;



limit **discounts applied** by other retailers;



**increase the supply price** for retailer competitors in order to affect their retail price;



**disclose commercially sensitive information** (e.g., future prices or discounts) to a retail competitor through the supplier.

The aforementioned prohibitions shall apply irrespective of how the goods are sold (i.e., in physical or online stores).

Setting recommended (or maximum) resale prices for the retailer is legitimate if the retailer can sell goods at a price which is lower than the recommended (or maximum) price, facing no pressure from the supplier regarding the application of the set recommended (or maximum) price.

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**DO YOU SUSPECT AN INFRINGEMENT OF THIS TYPE? REPORT IT TO US!**  
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The guidelines shall be considered as a soft law document which has no binding force. The Competition Council identifies infringements of the Law on Competition and the Law on the Prohibition of Unfair Practices of Retailers only having conducted a detailed analysis of the situation.