

**The Future Competition Law
Framework applicable to the motor
vehicle sector**

Motor Vehicle Block Exemption
Regulation

The Way Forward

- Commission has decided :
 - Not to renew present Block Exemption Regulation
- But will :
 - Continue with current BER 1400/2002 until 31 May 2013 with regards to purchase, sale or resale of new motor vehicle
 - After that date the new Block Exemption Regulation for vertical agreements will apply

The Way Forward (cont.)

- Therefore :
- Multi-branding : A single branding obligation can be imposed on a dealer by the manufacturer as long as the parties' market share is not more than 30% and the obligation is limited to 5 years
- Dealer protection clauses will not be renewed

The Way Forward (cont.)

- With regard to the Aftersales Market (Repairs and Maintenance), the Commission will :
 - Apply general rules in new block exemption regulation on vertical agreements as from 1 June 2010
 - Introduce sector specific guidelines
 - Introduce a focused Motor Vehicle Block Exemption Regulation relating to the automotive aftermarket

New Regulation on the application of Article 101(3) of the TFEU to categories of vertical agreements and concerted practices in the motor vehicle sector

- This new Regulation will incorporate hardcore restrictions, which regard :
 - (a) the restriction of the sales of spare parts for motor vehicles by members of a selective distribution system to independent repairers which use these parts for the repair and maintenance of a motor vehicle;
 - (b) the restriction, agreed between a supplier of spare parts, repair tools or diagnostic or other equipment and a manufacturer of motor vehicles, of the supplier's ability to sell these goods or services to authorised or independent distributors or to authorised or independent repairers or end users;
 - (c) the restriction, agreed between a manufacturer of motor vehicles which uses components for the initial assembly of motor vehicles and the supplier of such components, of the latter's ability to place its trade mark or logo effectively and in an easily visible manner on the components supplied or on spare parts.