

Class: UP/I 034-03/15-01/031

Reg.no. 580-10/76-2016-007

Zagreb, 14 January 2016

Case: CCA v Labplus Zagreb, Zagreb

- Alleged abuse of a dominant position by the health centre –complaint by EuroMedica, Zagreb

Decision: Decision on dismissal due to the lack of grounds for the initiation of the infringement proceeding

Case summary:

The Croatian Competition Agency (CCA) dismissed on 14 January 2016 the initiative made by the health centre EuroMedica from Zagreb against the health centre Poliklinika Labplus from Zagreb for alleged abuse of a dominant position due to the lack of grounds for the initiation of an ex officio proceeding.

In its complaint EuroMedica stated that Poliklinika Labplus illegally offered unfair prices for drivers' medicals that were lower than the prices defined by the Decision of the Croatian Government in the amount of 350 for normal drivers' medicals and 450 Kuna for vocational drivers' licencing. Poliklinika Labplus allegedly wanted to strengthen its dominant position forcing or eliminating competitors out of the market concerned. It offered these discounts on its web page that meant some 50 % lower prices on the average than the prices regulated by the Ministry of Health.

In the preliminary market investigation the CCA established that, first, Poliklinika Labplus did not hold a dominant position in the relevant market in the territory of the Republic of Croatia, the City of Zagreb and Zagreb County. Therefore, the undertaking concerned could not abuse the non-existing dominance.

Second, the CCA undoubtedly established during the preliminary investigation that the market in the provision of drivers' medicals and medicals for vocational drivers is very dynamic and competitive where the undertaking concerned was exposed to significant competitive constraints by other undertakings active in this market.

Third, the CCA noted that its role is not that of a price regulator but that of a facilitator of free market mechanisms, and where necessary, sanctioning of a dominant firm who behaves to an

appreciable extent independently of its competitors, customers – suppliers and buyers and ultimately of its consumers and uses this behaviour to prevent, restrict or distort free competition, reinforced by its economic and financial strength. In this particular case, no indices of such abusive conduct were found.

Finally, the CCA stressed that surveillance and sanctioning for possible non-application or misapplication of the laws and other rules regulating the area concerned does not fall under the jurisdiction of the CCA.