

**Case summary**

17 December 2021

Title	Bundeskartellamt imposes fine on Bose GmbH
Sector:	Manufacture and distribution of consumer electronics
File ref:	B10-23/20 (previously B1-7/18-2)
Date of decision:	11 November 2021

The Bundeskartellamt has imposed a fine totalling around 7 million euros on Bose GmbH (“Bose”), which is based in Friedrichsdorf, on account of resale price maintenance. Bose manufactures and distributes high-end consumer electronics. The company’s activities in this area mainly focus on the distribution of audio products, especially speakers and headphones. The proceeding was initiated within the context of a request for official assistance by the Austrian competition authority and a dawn raid conducted in March 2018.

Bose distributes audio products in Germany and other EU countries through independent authorised dealers. The authorised dealers are part of a selective distribution system based on qualitative criteria. In addition to conducting the usual negotiations on purchasing prices, Bose employees also agreed on concerted measures for setting sales prices with the authorised dealers in question. These measures generally pertained to an increase in sales prices, which were also specifically set in some cases. In this way, Bose wanted to prevent that the sales prices offered by the authorised dealers deviated – in the company’s view – too much from the recommended retail prices. These concerted measures were sufficiently specific and consolidated, at the latest in the infringement period from 1 April 2015 until the Bundeskartellamt dawn raid on 13 March 2018.

Bose employees constantly monitored the prices set by the authorised dealers, for example through online price comparison engines. The company’s sales employees intervened on several occasions in which the dealers had deviated from the recommended resale price and the dealers stopped the conduct objected to in a number of cases. The dealers in question played their part in this by complaining to Bose about the (too) low sales prices offered by other authorised dealers in sales points, online shops or advertising materials. The complaints were addressed directly to Bose employees.

In setting the fine the authority took into account that the company had cooperated extensively with the Bundeskartellamt and that a settlement could be reached. The order imposing the fine is final. No fines were imposed on the dealers involved and the proceedings against the persons acting on behalf of Bose were terminated.

Individuals who have been harmed by the infringement may claim compensation from the parties if the legal conditions are fulfilled (Section 33a GWB). Final decisions issued by the Bundeskartellamt in which a fine is imposed and in which an infringement has been found to have occurred have a legally binding effect on court decisions pursuant to Section 33b GWB.