



Case Study: *Allianz Hungara*

EU – China Trade Project
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Lukas Repa
DG Competition

The views expressed are purely those of the author and may not be regarded as stating an official position of the European Commission.

Outline

- **Facts**
- **Horizontal and vertical issues**
- **Discussion**
- **The Judgment**

The sale of car insurance in Hungary

ALLIANZ

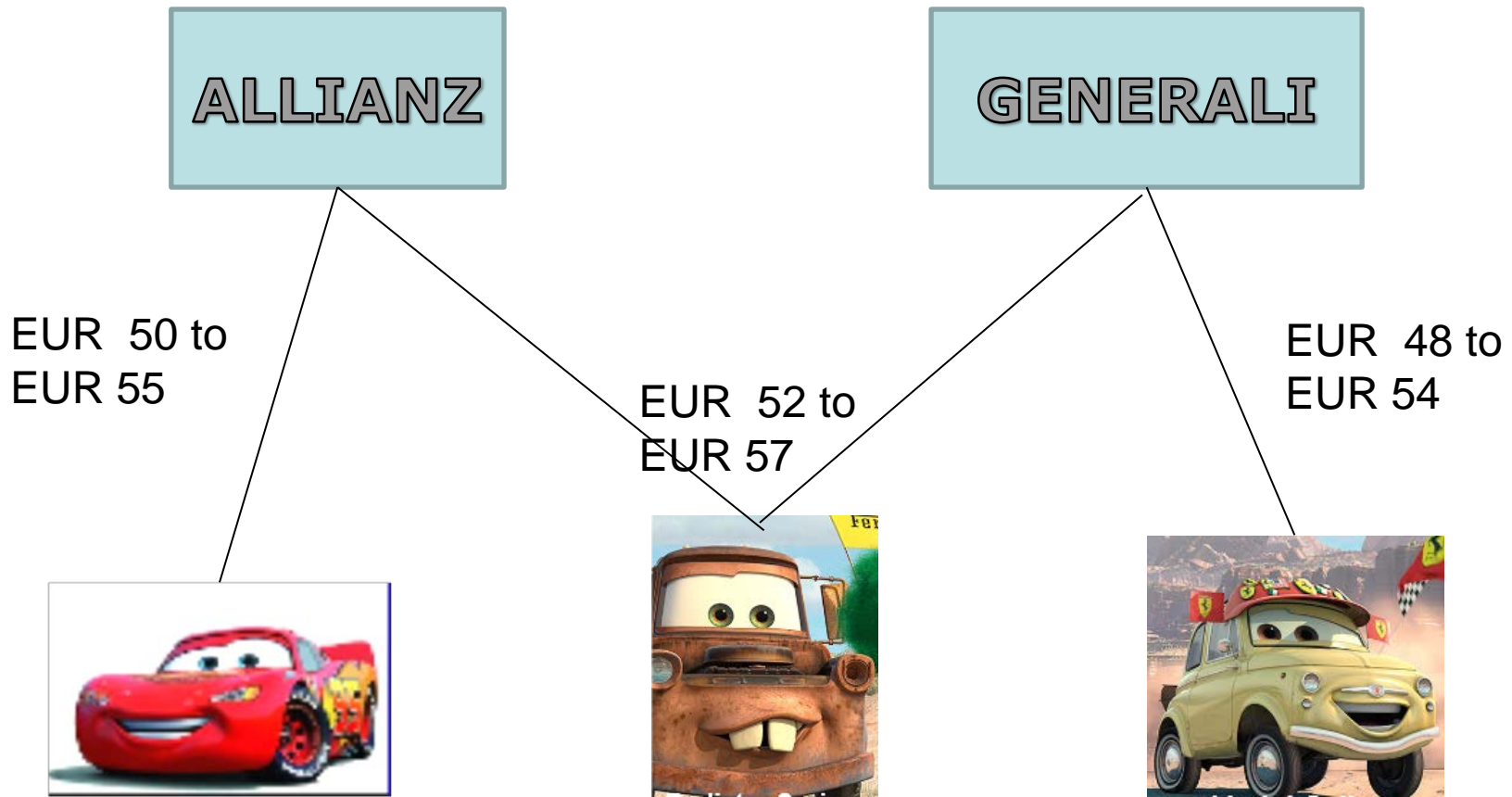


Car dealers sell insurance policies to car drivers on behalf of insurers.

Insurers pay car dealers for repairing insured cars. The remuneration for repairing cars is the higher the more insurance contracts are sold by the car dealer.



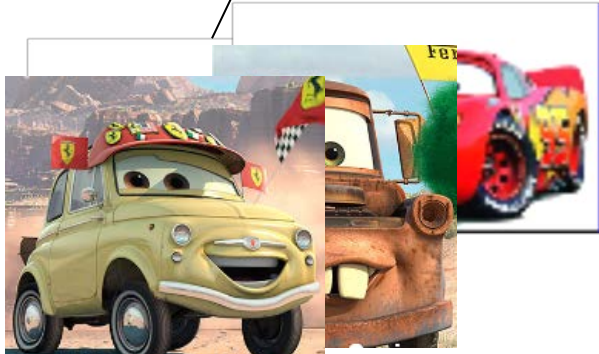
The situation until 2002 ...



The situation after 2002 ...

ALLIANZ

GEMOSZ



1. Trade association GEMOSZ negotiates framework contract with ALLIANZ on behalf of all car dealers

EUR 48 to EUR 54

GENERALI

EUR 48 to EUR 54



2. Generali does not enter into the framework contract but aligns its prices

Horizontal Issues

The recommendation of a trade associations to members on pricing of their services – "per se restrictive" of competition?

What if ..

Option 1) car repair fees were generally lower

Option 2) car repair fees were generally higher

... before the framework contract was concluded ?

Vertical Issues

The framework contract made car repair fees directly dependent on the number of insurance contracts sold by a car dealer. Is this vertical pricing mechanism "per se" restrictive of competition?

Option 1) National law obliges brokers to take commissions from policy holders, only

Option 2) National law does **NOT** oblige brokers to take commissions from policy holders, only

How the European Court of Justice saw it ...

Allianz Hungária (2013)

- <http://curia.europa.eu/juris/document/document.jsf?jsessionid=9ea7d2dc30d69773941965e540eb9887f9dfef0be73.e34KaxiLc3qMb40Rch0SaxuObhb0?text=&docid=135021&pageIndex=0&doclang=EN&mode=lst&dir=&occ=first&part=1&cid=434348>