



The Competition Commission Appeal Tribunals

NOTICE OF APPLICATION UNDER SECTION 46 OF THE COMPETITION ACT 1998 CASE NO. 1010/1/03

Pursuant to Rule 13 of the Competition Commission Appeal Tribunal Rules 2000 (“the Rules”), the Registrar of the Appeal Tribunals gives notice of the receipt of an application, dated 29 January 2003, under section 46 of the Competition Act 1998 (“the Act”) by Hasbro UK Limited (“the applicant”) in respect of a decision taken by the Director General of Fair Trading (“the Director”) and notified to the applicant on 29 November 2002, (“the Contested Decision”).

The applicant is the UK subsidiary of Hasbro Inc., a USA based manufacturer of toys and games. The applicant supplies toys and games to distributors and retailers in the United Kingdom.

In the Contested Decision the Director found that the applicant had entered into price fixing agreements with ten of its distributors which had as their object and effect the prevention, restriction or distortion of competition in the supply of Hasbro toys and games in the United Kingdom contrary to the Chapter I prohibition of the Act. The agreements were all entered into in January or February 2001 and came to an end in July 2001. The Contested Decision required the applicant to pay to the Director a penalty of £4.95 million.

In its notice of application the applicant seeks the following relief:

1. that the amount of the penalty imposed be substantially reduced;
2. that the Director pay the applicant’s costs of the application;
3. such further or other relief as the Tribunal may consider appropriate.

In summary the principal grounds on which the applicant relies are that:

1. the Director has not followed the terms of his Guidance as to the Appropriate Amount of the Penalty;
2. in the alternative to 1 above, the application of step 1 of the Director’s Guidance in the particular circumstances of this case produced an excessive penalty;
3. the Director failed to take relevant mitigating factors sufficiently into account in setting the penalty;
4. the Director imposed a penalty which in all the circumstances of the case was excessive.

Any person who considers that he has a sufficient interest in the outcome of the proceedings may make a request for permission to intervene in the proceedings, in accordance with Rule 14 of the Rules.

A request for permission to intervene should be sent to the Registrar, The Competition Commission Appeal Tribunals, New Court, 48 Carey Street, London WC2A 2JT, so that it is received within **one month** of the publication of this notice.

Further details concerning the procedures of the Competition Commission Appeal Tribunals can be found on its website at www.competition-commission.org.uk. Alternatively the Tribunal Registry can be contacted by post at the above address or by telephone (020 7271 0395) or fax (020 7271 0281). Please quote the case number mentioned above in all communications.

Charles Dhanowa
Registrar

7 February 2003