



COMPETITION APPEAL TRIBUNAL

**NOTICE OF APPLICATION UNDER SECTION 46 OF THE COMPETITION ACT
1998
CASE NO 1015/1/1/03**

Pursuant to rule 13 of the Competition Commission Appeal Tribunal Rules 2000 (“the Rules”), the Registrar gives notice of the receipt of an application, dated 17 April 2003, under section 46 of the Competition Act 1998 (“the Act”) by Littlewoods Limited, of Sir John Moores Building, 100 Old Hall Street, Liverpool, L70 1AB (“the applicant”) in respect of a decision (CP0480-01) taken by the Director General of Fair Trading (“the Director”) and notified to the applicant on 19 February 2003, (“the Decision”).

In the Decision the Director found that the applicant entered into price-fixing agreements and/or concerted practices with Hasbro UK Limited (‘Hasbro’) and Argos Limited that infringed section 2 (‘the Chapter I prohibition’) of the Act. The Director also found that there was a separate bilateral agreement between the applicant and Hasbro. The Director further found that the agreements and/or concerted practices in question sought to fix the price of certain Hasbro toys and games in the UK and that the agreements and/or concerted practices infringed the Chapter I prohibition between 1 March 2000 and some time between 15 May 2001 and 14 September 2001. For its infringement of the Chapter I prohibition of the Act the Director imposed a penalty of £5.37 million on the applicant.

The applicant seeks the following relief:

- (1) That the Decision be set aside;
- (2) Alternatively, that the penalty imposed upon the applicant be set aside or otherwise reduced;
- (3) That costs be awarded to the applicant.

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

- (1) The Director erred in finding that the applicant was engaged in an agreement or concerted practice as described or at all. The applicant had no interest in catalogue retailing. At all material times the only company which was engaged in catalogue retailing was Littlewoods Retail Limited which is not the addressee of the Decision.
- (2) There is no or no sufficient evidence of an agreement or concerted practice as alleged or at all. The evidence relied upon by the Director is flimsy and insubstantial and does not bear upon the facts which in law, are needed to establish an agreement or concerted practice within the meaning of the Chapter I prohibition.
- (3) In any event the penalty imposed was unfair and disproportionate.

Any person who considers that he has 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 Appeal Tribunal, New Court, 48 Carey Street, London WC2A 3BZ, so that it is received within **one month** of the publication of this notice.

Further details concerning the procedures of the Competition Appeal Tribunal can be found on its website at www.catribunal.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

2 May 2003