



Antitrust: Commission fines rechargeable battery producers €166 million in cartel settlement

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The European Commission has fined Sony, Panasonic and Sanyo a total of €166 million. The companies and Samsung SDI coordinated prices and exchanged sensitive information on supplies of rechargeable lithium-ion batteries, used for example in laptops and mobile phones, in breach of EU antitrust rules.

Samsung SDI was not fined as it revealed the existence of the cartel to the Commission. All companies acknowledged their involvement in the cartel and agreed to settle the case.

Commissioner Margrethe **Vestager**, in charge of competition policy said: *"Millions of Europeans use laptops, mobile phones and power tools that run on rechargeable lithium-ion batteries. Today's decision sanctions four rechargeable battery producers whose collusion affected the prices of a number of goods sold to European consumers. It also sends an important signal to companies: if European consumers are affected by a cartel, the Commission will investigate it even if the anticompetitive contacts took place outside Europe."*

Rechargeable lithium-ion batteries are the most common type of rechargeable batteries used in portable electronic and electrical devices. They can be divided into three types depending on their usage and demand. Cylindrical lithium-ion batteries are for example used in larger devices such as laptops and power tools, whereas smaller devices, like smartphones and tablets, use prismatic or polymer lithium-ion batteries. All these types of battery were affected by the cartel.

The Commission's investigation found that Samsung SDI, Sony, Panasonic and Sanyo took part in bilateral, and sometimes multilateral, contacts in order to avoid aggressive competition in the market for lithium-ion batteries. In particular, the four companies:

- **agreed on temporary price increases** in 2004 and 2007 triggered by a temporary increase in the price of cobalt, a raw material used in the production of lithium-ion batteries; and
- **exchanged commercially sensitive information** such as supply and demand forecasts, price forecasts or intentions concerning particular competitive bids organised by specific manufactures of products such as phones, laptops or power tools.

The cartel contacts took place mainly in Asia and occasionally in Europe. The cartel started in February 2004 and lasted until November 2007.

Fines

The fines were set on the basis of the Commission's [2006 Guidelines on fines](#) (see also [MEMO](#)).

In setting the level of fines, the Commission took into account, in particular, the companies' sales of lithium-ion batteries in the European Economic Area (EEA), the serious nature of the infringement, its geographic scope and its duration.

Under the Commission's [2006 Leniency Notice](#), Samsung SDI received full immunity for revealing the existence of the cartel to the Commission, thereby avoiding an aggregate fine of € 57 748 000.

Sony, Panasonic and Sanyo benefited from reductions of their fines for their cooperation with the Commission's investigation under the 2006 Leniency Notice. The reductions reflect the timing of their cooperation and the extent to which the evidence they provided helped the Commission to prove the existence of the cartel.

Under the Commission's [2008 Settlement Notice](#), the Commission applied a reduction of 10% to the fines imposed in view of the parties' acknowledgment of their participation in the cartel and of their liability in this respect.

The breakdown of the fines imposed on each company is as follows:

	Reduction under the Leniency Notice	Reduction under the Settlement Notice	Fine (€)
Samsung SDI	100%	10%	0
Sony	50%	10%	29 802 000
Panasonic	20%	10%	38 890 000
Sanyo	20%	10%	97 149 000

Background

Article 101 of the Treaty on the Functioning of the European Union (TFEU) and Article 53 of the EEA Agreement prohibit cartels and other restrictive business practices.

The Commission's investigation started with an immunity application submitted by Samsung SDI.

More information on this case will be available under the case number 39904 in the [public case register](#) on the Commission's [competition](#) website, once confidentiality issues have been dealt with. For more information on the Commission's action against cartels, see its [cartels website](#).

The settlement procedure

Today's decision is the 22nd settlement since the introduction of this procedure for cartels in June 2008 (see [press release](#) and [MEMO](#)). In a settlement, companies acknowledge their participation in a cartel and their liability for it. Settlements are based on the [Antitrust Regulation 1/2003](#) and allow the Commission to apply a simplified and shortened procedure. This benefits consumers and taxpayers as it reduces costs; benefits antitrust enforcement as it frees up resources to tackle other suspected cartels; and benefits the parties themselves in terms of quicker decisions and a 10% reduction in fines.

Action for damages

Any person or firm affected by anti-competitive behaviour as described in this case may bring the matter before the courts of the Member States and seek damages. The case law of the Court and Council Regulation 1/2003 both confirm that in cases before national courts, a Commission decision constitutes binding proof that the behaviour took place and was illegal. Even though the Commission has fined the companies concerned, damages may be awarded without being reduced on account of the Commission fine.

The [Antitrust Damages Directive](#), which Member States have to implement in their legal systems by 27 December 2016, makes it [easier for victims of anti-competitive practices to obtain damages](#). More information on antitrust damages actions, including a practical guide on how to quantify antitrust harm, is available [here](#).

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