



NEWSLETTER

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Weekly Competition Law News

By Lifang & Partners

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Zhejiang AMR Warns Local Express Industry for Antitrust Violations

On 6 November 2019, the Administration for Market Regulation of Zhejiang Province (“**Zhejiang AMR**”) held an antitrust warning meeting for the local express industry and pointed out some companies’ suspected monopoly behaviors, such as collusion and restriction of trading. Zhejiang AMR stressed that the express industry should be more self-disciplined, must not coordinate to raise the price and must not abuse market dominance by refusing to deal; the industry associations must not coordinate to set or raise the price through agreement, coordination or oral agreement. Zhejiang AMR will strengthen the investigation on the clues to antitrust violations and strengthen antitrust enforcement. ([More](#))

Liaoning AMR Opens Formal Antitrust Investigation on Northeast Pharm

On 6 November 2019, Northeast Pharmaceutical Group Co. Ltd. (“**Northeast Pharm**”) announced that it had received the *Notification for Antitrust Investigation* issued by the Administration for Market Regulation of Liaoning Province (“**Liaoning AMR**”), which states that the Liaoning AMR opened a formal investigation on Northeast Pharm on November 4. Previously, Northeast Pharm was publicly reported that, as the sole manufacturer of the levocarnitine API in China, it raised the price by tens of times and even refused to supply such API in order to raise its drug price. ([More](#))

SAMR Admits the “Either-or Restriction” is Suspected of Violating the AML

On 5 November 2019, it was reported by *Hongkan Finance* that China’s State Administration for Market Regulation (“**SAMR**”) held an administrative guide meeting for standardizing network business activities, in which Mr. Xu Lefu, the Deputy Director-General of the Anti-Monopoly Bureau of SAMR, stated that the “either-or restriction” is suspected of violating the *Anti-Monopoly Law* (“**AML**”). In the next step, SAMR will pay great attention to the “either-or restriction” in the online field and open formal investigations on the behaviors which are suspected of violating the *AML* and invoke different parties’ intense reaction. ([More](#))

Galanz, Pinduoduo and Vipshop Join “Either-or Restriction” Antitrust Litigations

On 5 November 2019, Guangdong Galanz Life Electric Commercial Co., Ltd. (“**Galanz**”) announced that it had filed an antitrust litigation against Alibaba’s Tmall before Guangzhou Intellectual Property Court on 28 October, in which Galanz sued Tmall for abusing its dominant market position. This suit was accepted by the court on 4 November. On the same day, *thepaper.cn* reported that two China-based online shopping marketplace, Vipshop and Pinduoduo, had filed applications to Beijing Higher People’s Court, requesting to join the *JD v. Alibaba* “either-or restriction” antitrust case as third parties without independent claims, in which JD claims CNY 1bn from Alibaba. ([More](#))

Beijing IP Court Plans to Hear Hytera v. Motorola Antitrust Case in Late November

On 5 November 2019, a court notice was posted on the website for live streaming trials (tingshen.court.gov.cn), showing that on November 26 and 27, Beijing Intellectual Property Court (“**Beijing IP Court**”) would hear an antitrust case in which Hytera Communications Corporation Limited sued Motorola Systems (China) Investment Co., Ltd., Motorola Systems (China) Co., Ltd., and Motorola Systems (China) Co., Ltd. Beijing Branch for their abuse of dominance. The presiding judge is Ms. Rui Songyan. The trial lives will be held in three sessions at 9:00 on November 26, 9:00 and 14:00 on November 27. ([More](#))

SAMR Conducts a Survey on the Antitrust Enforcement and the Implementation of Competition Policy in Shandong

On 4 November 2019, Ms. Gan Lin, the Vice Minister of SAMR and Mr. Wu Zhenguo, the Director-General of the Anti-Monopoly Bureau of SAMR, visited Shandong to conduct a survey on the antitrust enforcement and the implementation of competition policy. Ms. Zhang Yongxia, the Director-General of Shandong Administration for Market Regulation (“**Shandong AMR**”), reported the development of the antitrust enforcement in Shandong. She mentioned that since its establishment, Shandong AMR had sanctioned nine antitrust cases, including three monopoly agreement cases, one abuse of dominance case, and five administrative monopoly cases. ([More](#))

Shandong AMR Fines A Local Motor Trade Association

Recently, SAMR published the sanction decision in which Shandong AMR fined Heze Motor Trade Association CNY 300,000 for organizing undertakings to reach monopoly agreements. Shandong AMR found that the restrictions on other motor shows implemented by this association essentially restricted the right of other market players to compete fairly and undermined the normal trading order among various participants of the motor show, which violated the *AML*. ([More](#))

Overseas News

FTC Finds a Consummated Acquisition Was Anticompetitive and Should Be Unwound

On 6 November 2019, the Federal Trade Commission (“FTC”) announced that it had issued an Opinion and Final Order in which FTC upholds the Administrative Law Judge’s decision that the consummated acquisition of Freedom Innovations by Otto Bock HealthCare North America, Inc., both top sellers of prosthetic knees equipped with microprocessors or MPKs, resulted in anticompetitive harm in the microprocessor prosthetic knee market. FTC’s order requires Otto Bock to divest the Freedom Innovations assets to an FTC-approved buyer and represents the first time that the current Commission ordered that a consummated acquisition be unwound. ([More](#))

EU Commission Opens Investigation Into Possible Collusion by Two French Retailers in a Purchasing Alliance

On 4 November 2019, the European Commission announced that it had opened a formal antitrust investigation into two French groups of retailers, Casino Guichard-Perrachon and Les Mousquetaires. In November 2014, these two firms set up a joint venture for the joint procurement alliance of their branded products, INCA. The European Commission will investigate whether they coordinated their activities on the development of their shop networks and their pricing policy towards consumers. In February 2017 and May 2019, the European Commission carried out unannounced inspections at the premises of these two firms, as part of its own-initiative inquiry into possible collusion between retailers through purchasing alliances. ([More](#))

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