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## **Weekly Competition Law News**

By Lifang & Partners

#### **Domestic News**

Beijing IP Court Hears Hytera v. Motorola Antitrust Case

SAMR Invites Public Comment on Draft Antitrust Compliance Guidelines

Jiangsu AMR Fines A Local Tap Water Company CNY 2m for Abuse of Dominance

SAMR Fines Pierburg, Xingfu Motorcycle CNY 350,000 Each for Gun-jumping

#### **Overseas News**

UK Antitrust Watchdog Seeks to Reinstate A Record Fine Against Pfizer and Flynn

DOJ Issues Business Review Letter to the GSMA Related to Innovative eSIMs Standard for Mobile Devices

Chinese Telescope Co. Hit with USD 16.8m Antitrust Verdict



#### **Domestic News**

#### Beijing IP Court Hears Hytera v. Motorola Antitrust Case

On 29 November 2019, Beijing Intellectual Property Court ("Beijing IP Court") issued a news release saying that it had heard the antitrust case filed by Hytera Communications Corporation Limited ("Hytera") against Motorola Systems (China) Investment Co., Ltd., Motorola Systems (China) Co., Ltd., and Motorola Systems (China) Co., Ltd. Beijing Branch ("Motorola") for their abuse of dominance. In this case, Hytera claims compensation of more than CNY 50m. Beijing IP Court will make a judgment at a later date. (More)

#### **SAMR Invites Public Comment on Draft Antitrust Compliance Guidelines**

On 28 November 2019, China's State Administration for Market Regulation ("SAMR") released the *Antitrust Compliance Guidelines for Undertakings (Draft for Public Comment)* ("Draft Guidelines") to solicit the public's opinion. The Draft Guidelines contains 30 articles, 6 chapters, including (i) General Rules, (ii) Compliance Management System, (iii) Important Compliance Risks, (iv) Compliance Risk Management, (v) Compliance Management Maintenance, and (vi) Supplementary Provisions. Suggestions and comments are welcomed and shall be submitted before12 December 2019. (More)

#### Jiangsu AMR Fines A Local Tap Water Company CNY 2m for Abuse of Dominance

On 26 November 2019, SAMR published the sanction decision in which the Administration for Market Regulation of Jiangsu Province ("**Jiangsu AMR**") fined Jiangsu Suqian Zhengyuan Tap Water Co., Ltd. CNY 1,176,400 and confiscated the illegal gains CNY 877,600. The total of the fine and confiscation is over CNY 2m. Jiangsu AMR found that the company required real estate companies to sign water supply construction project contracts through its dominant market position in the local resident tap water supply market, which violated the provision on the restriction of transaction under Article 17 of the *Anti-Monopoly Law* ("**AML**"). (More)

### SAMR Fines Pierburg, Xingfu Motorcycle CNY 350,000 Each for Gun-jumping

Recently, SAMR announced that it had fined Pierburg Pump Technology Co., Ltd ("**Pierburg**") and Shanghai Xingfu Motorcycle Co., Ltd ("**Xingfu Motorcycle**") CNY 350,000 each for gun-jumping. On 1 March 2013, Pierburg and Xingfu Motorcycle signed an agreement to set up a 50-50 joint venture. The parties failed to make notification filling regarding the deal before obtaining a business license for the joint venture on 18 June 2013, which violated the provisions on the concentration of undertakings under Article 21 of the *AML*. (More)





#### **Overseas News**

#### UK Antitrust Watchdog Seeks to Reinstate A Record Fine Against Pfizer and Flynn

On 28 November 2019, *Financial Times* reported that the UK's Competition and Markets Authority ("CMA") was trying to reinstate a record fine against drug companies Pfizer and Flynn for raising the price of an anti-epilepsy drug. In December 2016, the CMA concluded that both companies had abused their dominant position by charging excessive and unfair prices, and fined Pfizer GBP 84.2m and Flynn GBP 5.2m. In June 2018, the UK's Competition Appeals Tribunal upheld Pfizer's appeal against the fine. The CMA later appealed. (More)

# DOJ Issues Business Review Letter to the GSMA Related to Innovative eSIMs Standard for Mobile Devices

On 27 November 2019, the Department of Justice's ("DOJ") Antitrust Division announced that it completed a nearly two-year long investigation into the standard-setting activities of the GSM Association ("GSMA"). The Antitrust Division's investigation revealed that, in recent years, the GSMA used its industry influence to steer the design of eSIMs technology in mobile devices. In response to the investigation, the GSMA had drafted new standard-setting procedures that would incorporate more input from non-operator members of the mobile communications industry. The letter concluded, that the proposed changes appeared to adequately address those concerns. In light of these planned changes, the Antitrust Division had no present intention to bring an enforcement action against the GSMA or its mobile network operator members. (More)

#### Chinese Telescope Co. Hit with USD 16.8m Antitrust Verdict

On 26 November 2019, *Law360* reported that a California federal jury found that Chinese telescope seller Ningbo Sunny Electronic Co. Ltd. suppressed competition and conspired to fix the price of consumer telescopes in the U.S. in violation of federal antitrust laws, concluding that it owes USD 16.8m in damages to rival Orion Telescopes & Binoculars. Damages are trebled under the *Sherman Act*, so the final judgment will likely be closer to USD 50m. (More)





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