Pet food more expensive online? The President of the Office of Competition and Consumer Protection (UOKiK) imposed a fine of almost half a million.

* **A distributor of dog and cat food has colluded on prices with its counterparties.**
* **Empire Brands has been imposing resale prices for pet food in online stores and shopping platforms on its trading partners.**
* **The President of UOKiK fined the company and two of its managers, who were directly responsible for the prohibited agreement, a total of nearly half a million zlotys.**

**[Warsaw, 13 December 2024]** Empire Brands is involved in the wholesale and retail sale of dog and cat food. Empire brand products are available to customers stationary (in pet stores and veterinary offices) and in online stores and online shopping platforms. The investigation showed that the company had entered into a competition-restricting agreement with its counterparties. They sold Empire brand food in online stores at prices imposed by the company. Empire Brands, by its actions, violated not only the domestic provisions of the Act on Competition and Consumer Protection, but also the provisions of the Treaty on the Functioning of the European Union. In fact, the company’s actions had at least the potential to affect trade between EU member states. The President of UOKiK imposed a fine on Empire Brands and two of its managers who were directly involved in the prohibited arrangements.

- Empire Brands controlled the price of pet food in its counterparties’ online stores. The aim of the company’s action was to set a minimum price level, equal to the prices offered by Empire in its online store, below which counterparties could not sell pet food online. As a result, consumers did not have the chance to buy at lower, competitive prices. These actions led to artificial price maintenance in the market, which negatively affected competition and the financial situation of dog and cat owners. They were deprived of the opportunity to purchase food at prices fairly shaped by the market- says President of UOKiK Tomasz Chróstny.

**“Prices suggested” by the company**

Empire Brands’ counterparties selling Empire brand pet food online were required by the company to retail at prices no lower than those prevailing in Empire’s online store. The company disciplined trading partners who sold the food cheaper. Initially, they were admonished verbally. Further failure of the counterparties to comply with the agreed prices resulted in a change in the terms of payment for the food, in the next step the company’s management made it impossible to buy products at the promotional price, and in extreme cases further cooperation was abandoned. Trading partners have addressed complaints to Empire about non-compliance with pricing arrangements by other counterparties, including outright requests to intervene in this regard.

**Sanctions**

The fine imposed on Empire Brands was PLN 352,821. In addition, the President of UOKiK imposed sanctions against two of the company’s managers: Rafał Śliwiński (a fine of PLN 82,250) and Maciej Banduła (a fine of PLN 39,000).

The maximum penalty for participation in an anti-competitive agreement is 10 percent of turnover for the entrepreneur and PLN 2 million for managers.

Severe sanctions can be avoided by taking advantage of the [leniency scheme](https://konkurencja.uokik.gov.pl/program-lagodzenia-kar/).It offers to entrepreneurs involved in an illegal agreement and to managers responsible for collusion an opportunity to reduce a fine or, in some cases, avoid it altogether. It is applicable to those who agree to cooperate with the President of UOKiK as a “crown witness” and provide evidence or information on the illegal agreement. We encourage the parties interested in the leniency scheme to contact the Authority. By calling 22 55 60 555, you will be able to talk to UOKiK lawyers, who will answer all of your questions, also anonymous ones, related to leniency applications.

We also remind you that we conduct a programme to obtain information from anonymous whistleblowers. Do you wish to inform UOKiK about competition restricting practices? Visit <https://uokik.whiblo.pl/> or scan the QR code below and use the simple form. The pan-European system we rely on ensures full anonymity, also towards the Office itself.