

The International Comparative Legal Guide to:

Cartels & Leniency 2009

A practical insight to cross-border Cartels & Leniency



Published by Global Legal Group with contributions from:

Advokatfirmaet Selmer DA

Allende & Brea

Allens Arthur Robinson

Andreas Neocleous & Co. LLC

Balcar Polanský Eversheds s.r.o.

bpv Braun Haškovcová s.r.o.

Brigard & Urrutia Abogados S.A.

Camilleri Preziosi

Cleary Gottlieb Steen & Hamilton LLP

Crowell & Moring

ELIG, Attorneys-at-Law

Elvinger Hoss & Prussen

Grau García Hernández & Mónaco

J Sagar Associates, Advocates and Solicitors

Kim & Chang

Liniya Prava

LMR Attorneys Ltd.

Loze, Grunte & Cers

Luiga Mody Hääl Borenus

Magalhães, Nery e Dias Advocacia

Marques Mendes & Associados

Meitar Liquornik Geva & Leshem Brandwein

Nagashima Ohno & Tsunematsu

Nysingh advocaten-notarissen N.V.

Odvetniki Šelih & Partnerji

Pachiu & Associates

Penkov, Markov & Partners

PI Partners

Plesner

Preslmayr Rechtsanwälte OG

SAI Consultores, S.C.

Schellenberg Wittmer

Setterwalls

SJ Berwin LLP

Sutkiene, Pilkauskas & Partners

Szecskey Attorneys at Law

Webber Wentzel

Wilson Harle

WKB Wierciński Kwiecieński Baehr

Hungary

Judit Budai



Gusztáv Bacher



Szecskey Attorneys at Law

1 The Legislative Framework of the Cartel Prohibition

1.1 What is the legal basis and general nature of the cartel prohibition, e.g. is it civil and/or criminal?

The cartel prohibition is provided for in Act LVII of 1996 on the Prohibition of Unfair and Restrictive Market Practices (“Competition Act”). The consequences of the breach of this provision may be threefold:

- regulatory sanctions (including the impositions of fines on the undertaking involved);
- civil law sanction, i.e., damages action; and/or
- criminal sanction, if the cartel relates to public procurement or concession bidding procedures.

Although the rules of the EC competition law apply in Hungary, being also an EU Member State, in this summary, we present exclusively Hungarian national rules.

1.2 What are the specific substantive provisions for the cartel prohibition?

Under Chapter IV of the Competition Act relating to restrictive agreements, any agreements or concerted practices between unrelated undertakings, as well as the decisions of social organisations of undertakings, public corporations, unions and other similar organisations, which are aimed at the prevention, restriction or distortion of economic competition, or which have or may have such an effect, are prohibited. This provision corresponds to Art. 81 of the EC Treaty.

The Competition Act gives a non-exhaustive list of behaviour to which the prohibition of restrictive agreements applies, in particular:

- Fixing the purchase or sale price and defining other business conditions directly or indirectly.
- Restricting or controlling manufacturing, distribution, technical development or investment.
- Sharing the sources of available goods or restricting the freedom to choose from them, as well as excluding certain consumers, business partner from the option to purchase certain goods.
- Sharing the market, excluding anyone from selling, or restricting the choice of sales opportunities.
- Preventing anyone from entering the market.
- Discriminating against certain business partners.

- Making the conclusion of an agreement dependent on the acceptance of obligations which, due to their nature or with regard to the usual contractual practice, do not relate to the subject of the agreement.

1.3 Who enforces the cartel prohibition?

It is the Hungarian Competition Office (HCO) which enforces the cartel prohibition. The HCO is an administrative authority having jurisdiction for the whole territory of Hungary.

1.4 What are the basic procedural steps between the opening of an investigation and the imposition of sanctions?

The procedure when the HCO decides to investigate an agreement begins with an investigation phase. When the HCO starts an investigation it may only take place within a procedure commenced ex officio. The HCO has the right to publish the opening of an investigation, and in practice it does so; nevertheless the parties always obtain a notice on the opening of the investigation and the publication only takes place following the due notification of the parties. The investigation is carried out by an investigator. The investigator terminates the procedure, if the investigation is found to be unjustified. If the procedure is justified, the investigator summarises his findings of fact. Those findings, as well as the investigator’s proposals for further actions (e.g. interim measures), are sent to the competition council in a report (investigation report).

On the basis of the investigation report, the competition council can:

- Terminate the procedure.
- Order a further investigation.
- Impose interim measures.

If interim measures are imposed, and neither termination nor a further investigation is ordered, the competition council:

- Prepares a preliminary opinion on the proposed remedies.
- Announces that a hearing will be held.

The competition council sends to the parties the investigation report, together with the preliminary opinion of the council to enable the parties to prepare a defence and be able to respond before or at the hearing.

The HCO has 180 days to issue its final decision from the date the investigator ordered the investigation and this deadline can be extended twice (by up to 180 days per extension) where it is justifiable to do so.

1.5 Are there any sector-specific offences or exemptions?

Certain agreements in the following groups of restrictive agreements are exempted by government decrees from the general prohibition:

- Vertical agreements (Government Decree 55/2002 (III 26)).
- Insurance agreements (Government Decree 18/2004 (II 13)).
- Motor vehicle distribution and servicing agreements (Government Decree 19/2004 (II 13)).
- Research and development agreements (Government Decree 54/2002 (III 26)).
- Specialisation agreements (Government Decree 53/2002 (III 26)).
- Technology transfer agreements (Government Decree 86/1999 (VI 11)).

These exemptions reflect the respective EC Block Exemption Regulations. They do not apply where there is a cumulative effect of similar agreements at the relevant market.

1.6 Is cartel conduct outside Hungary covered by the prohibition?

The Competition Act applies to the market conduct of undertakings, carried out in the territory of the Republic of Hungary. The market conduct of undertakings carried out abroad shall also fall under the scope of the Competition Act, if the effect of such conduct may manifest itself within the Republic of Hungary.

2 Investigative Powers

2.1 Summary of general investigatory powers.

Table of General Investigatory Powers

Investigatory power	Civil / administrative	Criminal
Order the production of specific documents or information	Yes	Yes
Carry out compulsory interviews with individuals	Yes	Yes
Carry out an unannounced search of business premises	Yes*	Yes*
Carry out an unannounced search of residential premises	Yes*	Yes*
<ul style="list-style-type: none"> ■ Right to 'image' computer hard drives using forensic IT tools 	Yes	Yes
<ul style="list-style-type: none"> ■ Right to retain original documents 	Yes	Yes
<ul style="list-style-type: none"> ■ Right to require an explanation of documents or information supplied 	Yes	Yes
<ul style="list-style-type: none"> ■ Right to secure premises overnight (e.g. by seal) 	Yes	Yes

Please Note: * indicates that the investigatory measure requires the authorisation by a Court or another body independent of the competition authority.

2.2 Specific or unusual features of the investigatory powers referred to in the summary table.

The HCO is authorised to use the documents, data and other

information or means of evidence it has legitimately obtained in any other competition control proceedings as well.

2.3 Are there general surveillance powers (e.g. bugging)?

As far as the administrative proceedings carried out by the HCO are concerned, the HCO does not have such powers.

As to the criminal proceedings initiated on the grounds of an alleged crime (Agreement in Restraint of Competition in Public Procurement and Concession Procedures, see questions 1.1 and 3.2) is concerned, the investigating authority (police, prosecutor) may exercise surveillance powers after receiving an authorisation from the competent court.

2.4 Are there any other significant powers of investigation?

In case the HCO is carrying out an investigation in the course of a dawn raid in business or residential premises, the investigator shall be empowered to make copies of or seize any means of evidence suggesting any conduct in violation of the cartel prohibition, even if such evidence is not directly related to the subject of the investigation and even if it is not covered by the court order ("fishing"). In the case of such means of evidence the court order shall be obtained subsequently, for which the request shall be submitted within thirty days following the date when the investigative measure was carried out. In the absence of a subsequent court order the means of evidence shall be inadmissible.

2.5 Who will carry out searches of business and/or residential premises and will they wait for legal advisors to arrive?

In case of an administrative proceeding carried out by the HCO, it is the investigator (being a representative of the HCO) who will carry out the search. The investigator may request police assistance when carrying out the search, in the course of which the police are entitled to take measures and use force in a manner permissible in accordance with the legal regulations governing the police.

The person carrying out the search is not obliged to wait for the legal representative to arrive. It is the matter of the individual situation how an investigator reacts and what tolerance may be bargained.

In case of the criminal proceedings, the investigation is carried out by the police. However, the public prosecutor may be present at any search, moreover it is entitled to carry out investigations itself, instead of the police.

2.6 Is in-house legal advice protected by the rules of privilege?

No. Only advice given by the attorney-at-law mandated by the undertaking enjoys privilege. According to the Act on Attorneys, in-house lawyers do not qualify as attorneys.

2.7 Other material limitations of the investigatory powers to safeguard the rights of defence of companies and/or individuals under investigation.

Searches in a residential premise (including cars) may be carried out only if it is in the use of any former or current executive officer, employee or representative of the undertaking which have allegedly participated in the cartel, or any other person who effectively exercises control or who used to exercise control over this undertaking.

The documents considered as legal privilege are not admissible as they may not be examined. Legal privilege covers any document created in the interest or in the process of the client exercising his fundamental right to defence, during or for the purpose of communications between the client and his external attorney, or that is a record of the contents of such communications, provided in all cases that the nature of these documents is readily apparent from the document itself. In practical terms it means that the document has to indicate the following: “Privileged client-attorney communication”.

If the investigator makes an attempt to compel the client to present a document under legal privilege, or if the investigator wishes to inspect, take possession or make copies of such document in the course of an inspection or the dawn raid, the client has the right to refuse. However, the investigator - in due respect of the rights relating to the legal privilege - is entitled to inspect the document to ascertain whether relying upon the protection afforded by legal privilege is manifestly unfounded or not. If, contrary to the assertion of the person concerned, the investigator is of the opinion that the document in question should not enjoy the protection, the document (or the hard mirror image made on the data medium) shall be deposited in a container that is capable to prevent access to the document. The sealing of the container shall be witnessed and signed by the person concerned and the investigator, where the seal shall be affixed to prevent opening the container without tampering with the seal. As to whether a document should enjoy the protection under legal privilege shall be decided, upon the request of the HCO by the court.

2.8 Are there sanctions for the obstruction of investigations? If so, have these ever been used?

In the course of the proceedings and at any stage, the HCO can impose a procedural fine on the undertaking and any other natural or legal person that is required to cooperate in the HCO's proceedings, if that person:

- engages in conduct aimed at or resulting in:
 - the delay of the proceedings; or
 - making it impossible to reveal the relevant facts;
- disturbs the hearing seriously or repeatedly; or
- fails to meet deadlines.

The penalty is at least HUF50,000 (about US\$270), and can be up to a maximum of:

- for natural persons:
 - HUF500,000 (about US\$2,700); and
 - HUF50,000, in the case of failures to meet deadlines, for each day of delay; and
- for legal persons:
 - 1% of its net sales revenue for the previous financial year; and
 - 1% of its net sales revenue for the previous financial year, in the case of failure to meet deadlines, for each day of delay.

There are no available published statistics of the HCO on whether at all or how frequently such sanctions may have been used.

3 Sanctions on Companies and Individuals

3.1 What are the sanctions for companies?

In its decision, the competition council can:

- declare that a conduct is illegal;

- determine that a block exemption (see question 1.5) will not apply to an agreement;
- order the termination of illegal conduct;
- prohibit the continuation of an illegal conduct;
- order certain conditions or commitments in connection with an illegal conduct; or
- impose a fine.

In its decision, the competition council can impose a fine of up to 10% of the undertaking's annual net turnover. The method of setting fines in anti-trust cases is set out in Notice 2/2003 of the President of the HCO and the President of the competition council. The HCO first establishes a basic amount from the turnover of the undertaking on the relevant market. This amount is based on:

- the threat to competition;
- the impact of the infringement on the market;
- the attitude of the offender towards the infringement; and
- other considerations arising from the overall circumstances of the case.

The first three conditions are accorded an equal weight of 30% each, while the fourth receives a lower weighting of 10%.

3.2 What are the sanctions for individuals?

Individuals can be liable for a procedural fine (see question 2.8).

In addition, a person (including any person in a decision making position) commits a crime which can be punishable by imprisonment for up to five years, when he:

- influences public procurement or concession bidding procedures by way of:
 - price-fixing;
 - fixing other contractual terms;
 - market sharing;
 - engaging in other conduct in concert with other competitors; or
 - participating in making a decision of an association of undertakings, public body, society or other similar organisation in order to influence the result of the public procurement or concession bidding procedure; and
- as a result of this conduct, market competition is actually restricted.

The punishment is up to two years, if the value of the public procurement or concession bidding procedures is not more than HUF50 million (USD 270,000).

Finally, under Act IV of 2006 on business associations (Company Act), executive officers are liable to an undertaking under the general rules of civil law for damage caused to the undertaking by violating the law (e.g. the cartel prohibition). This means that theoretically, the company which was held liable for participating in a cartel may bring a damages action against its management and claim the damage caused by the management (e.g. fines, depreciation of goodwill, defamation).

3.3 What are the applicable limitation periods?

The limitation period relating to the cartel prohibition is 5 years. In case of the criminal liability, the limitation period is the upper limit of the term of imprisonment (2 or 5 years, depending on the value of the public procurement or concession bidding procedures).

In both cases, the limitation period shall commence at the time the infringement is terminated.

3.4 Can a company pay the legal costs and/or financial penalties imposed on a former or current employee?

There is no specific rule which would prohibit such payment.

4 Leniency for Companies

4.1 Is there a leniency programme for companies? If so, please provide brief details.

An undertaking can obtain immunity or leniency by cooperating in the investigation (Notice 3/2003 as amended by Notice 1/2006 of the President of the HCO and the President of the competition council on the application of a leniency policy to promote the detection of cartels). An undertaking that participates in a cartel does not pay a fine if it is the first to provide to the HCO:

- information relating to a cartel unknown to the HCO; or
- new evidence and information which may serve as grounds to establish a legal breach.

The HCO may reduce the fines on other undertakings that provide such information (but that are not the first). Immunity or leniency is only available if the undertaking:

- did not force other undertakings to take part in the infringement;
- co-operated with the HCO during the entire process; or
- finished its activities in the cartel.

These conditions are examined at the end of the process.

4.2 Is there a 'marker' system and, if so, what is required to obtain a marker?

The HCO specifies in its Notice 3/2003 a marker available to an immunity applicant providing on an anonymous basis the key elements of the cartel (e.g. price-fixing, market-sharing) and a list of the evidence in its possession accurately, reflecting the content of the evidence, whilst not disclosing the participants in and the specific details of the infringement.

If the application and the list meet the conditions for granting immunity, the HCO will inform the cooperating undertaking accordingly within 8 days and at the same time set a deadline for the submission of evidence.

Following the submission of the information and evidence, the HCO will check that they correspond to the preliminary list, examine their content and will declare in writing, within 15 days, whether the cooperating undertaking qualifies for conditional immunity. A company that does not receive conditional immunity may withdraw the evidence; evidence not withdrawn will be reclassified by the HCO as an application for fine reduction.

4.3 Can applications be made orally (to minimise any subsequent disclosure risks in the context of civil damages follow-on litigation)?

Yes, this is possible.

4.4 To what extent will a leniency application be treated confidentially and for how long?

The parties to the proceedings can only access the case file once the investigation phase is completed (see question 1.4) at the time specified by the HCO. However, the competition council may rule

that a party and its representative can inspect certain specific documents before the conclusion of the investigation phase, if this is unlikely to adversely influence the outcome of the proceedings.

In the course of the HCO's proceedings, the following are always confidential if not used as evidence when establishing the facts of the case:

- the internal documents of the HCO, the European Commission (Commission) and the competition authorities of the EU Member States (including documents specified in Articles 11 and 14 of Regulation (EC) No. 1/2003 on the implementation of the rules on competition laid down in Articles 81 and 82 of the EC Treaty); and
- correspondence between the HCO and other authorities.

The parties to the proceedings can, in order to protect business secrets, request restrictions on access to, and the making of copies or notes on, documents that they have submitted (either voluntarily or on the basis of an order) to the HCO. The HCO (or its investigator) can order the parties to submit a redacted version of the documents where the confidential information is deleted.

As there are no specific rules on separate treatment of leniency documents from the investigation file, in case of a follow-on private enforcement case, it may not be excluded that at least the redacted version of the leniency application is handed over to the court, in case the plaintiff submits motions for requesting the court to obtain the competition office files in the course of the fact finding procedure.

4.5 At what point does the 'continuous cooperation' requirement cease to apply?

The requirement of continuous cooperation applies in the course of the whole proceeding, i.e., until the final decision is made by the Competition Office.

4.6 Is there a 'leniency plus' or 'penalty plus' policy?

There is no "leniency plus" policy.

According to its Notice No. 2/2003 on the method of setting fines in antitrust cases (as amended by Notice no. 2/2005), the HCO imposes more severe sanctions on repeated infringements. It will consider practices to be repeated infringements in particular where the object or effect of the conduct is essentially identical with that of a previous unlawful conduct even if the subsisting facts of the case are different from those previously subsisting. Repeated infringements may have as a consequence (depending on the number of repetitions) a significant increase in, and even a doubling of, the amount of the fine.

5 Whistle-blowing Procedures for Individuals

5.1 Are there procedures for individuals to report cartel conduct independently of their employer? If so, please specify.

For investigations started because of a third party notification or complaint (e.g. employee), the notifier or complainant can request anonymity or that it be unidentifiable as having notified or complained.

6 Plea Bargaining Arrangements

6.1 Are there any early resolution, settlement or plea bargaining procedures (other than leniency)?

When the HCO makes an ex officio investigation of a restrictive agreement or practice the parties may undertake to proceed in a specific way to comply with the Competition Act and with Articles 81 and 82 of the EC Treaty, the competition council can decide to terminate the proceedings, to protect the public interest. The HCO can, through this decision, make the commitments binding on the undertaking, without reaching an infringement decision.

The HCO can, however, reopen the proceedings if there is any material change in the circumstances or if its decision was based on misleading information.

The investigators conduct a follow-up investigation to establish whether the parties have satisfied their commitments. Based on the investigator's follow-up report, the competition council adopts a decision to impose a penalty if the undertaking failed to carry out the commitment, unless it was not fulfilled because of changes in the relevant circumstances. The investigation is terminated if there were changes in the relevant circumstances or the undertaking fulfilled the commitment.

7 Appeal Process

7.1 What is the appeal process?

The decision of the competition council on the merits of the case can be appealed before the Metropolitan Court. The parties or persons whose interests are affected by the decision must file a statement of claim within 30 days of the decision being delivered. The Metropolitan Court of Appeals hears appeals from the Metropolitan Court. The party who has filed an appeal against the final judgment of the Metropolitan Court of Appeals may ask the review of this judgment by the Supreme Court.

7.2 Does the appeal process allow for the cross-examination of witnesses?

As a general rule, it is the court that hears witnesses and questions them. Under Hungarian law, the litigating parties can propose certain questions to be asked of the witness. The court can also, on request, allow the parties to directly ask the witness questions. Ultimately though, it is the court that decides on the permissibility of questions proposed or asked.

8 Damages Actions

8.1 What are the procedures for civil damages actions for loss suffered as a result of cartel conduct?

The HCO's public enforcement powers do not preclude court from directly applying the cartel prohibition contained in the Competition Act.

Individuals can therefore bring damages actions before the Hungarian civil courts for losses resulting from breaches of the Competition Act, even if the HCO has not reached a prior infringement decision. In such litigation, the court shall notify HCO which may present its opinion. The argument presented by HCO may be used as evidence.

If the HCO notifies a civil court addressing a civil law claim that it has started competition law proceedings in the same matter then the court must stay the proceedings until the HCO makes a decision and that decision becomes final and binding (either with or without judicial review).

If there is a final and enforceable decision of the HCO for the prohibited restrictive agreement or practice, the party claiming compensation for damages must prove both the:

- Amount of damage suffered.
- Causal link between the damages suffered and the prohibited restrictive agreement or practice.

There are no special rules governing third party competition damages actions and the general rules of Hungarian civil law apply.

8.2 Do your procedural rules allow for class-action or representative claims?

There is a so-called public interest action that can be used, among other things, in connection with the breach of competition laws. The HCO can bring a civil law claim on behalf of consumers against anyone who harms a large number of (individually unknown) consumers as a result of an activity that breaches the Competition Act.

In addition, a joint action is the only collective action that allows an award of damages in an antitrust case. Two or more claimants can initiate a joint action if any of the following apply:

- The subject matter of the claim is a joint right or obligation that can only be judged uniformly, or the judgment will affect the claimants jointly irrespective of one of the claimants' absence from the procedure.
- The claimants' claims are based on the same legal relationship.
- The claimants' claims have similar legal and factual bases and the same court has jurisdiction for all defendants.

8.3 What are the applicable limitation periods?

The general limitation period for damages actions is 5 years. However, if the damage is resulting from a criminal offence, the limitation period does not expire as long as the limitation period for the crime does not expire. If the HCO brings a civil law claim on behalf of the consumers, the statutory limitation period is one year from the date of the infringement excluding the period for the competition control procedure.

8.4 What are the cost rules for civil damages follow-on claims in cartel cases?

There are no special rules for bearing costs in civil damages follow-on claims in cartel cases.

According to the general procedural rules, the unsuccessful party pays the successful party's costs, including its lawyers' fees. However, the court can decide to take into account only part of the successful party's legal expenses, if it considers those expenses excessive. The courts usually set these fees at about 5% of the amount of the claim.

The court can also deny the successful party's costs if, for example, there was no reason to initiate the proceedings or if the other party acknowledged the claim at the first hearing. Similarly, costs incurred unnecessarily cannot be recovered. If one party is partially successful, the court splits the costs among the parties.

8.5 Have there been any successful follow-on or stand alone civil damages claims for cartel conduct?

We are not aware of any such claims. However, please note that the pending amendment of the Competition Act (see question 9.1) would make it much easier to bring successful damages actions against cartel members.

9 Miscellaneous

9.1 Provide brief details of significant recent or imminent statutory or other developments in the field of cartels and leniency.

In Summer 2008, the Parliament passed an Act significantly amending the Competition Act. However, the promulgation of this Act is still pending because the President of the Republic requested the review of the amendment by the Constitutional Court.

The pending Act contains, inter alia, the following important amendments:

1. Leniency

Currently the detailed rules on leniency are contained in Notice 3/2003 of the HCO (the "Notice"), i.e., in a non-binding instrument. The consequence of this is that theoretically, the HCO may lawfully deviate from the rules contained in its own Notice. Moreover, the court to which an appeal was filed against a resolution of the HCO is not bound by the Notice either. The pending Act would therefore incorporate the rules on leniency in the Competition Act.

The main novelties regarding leniency would be the following rules:

- total release of the fines would be possible not only in case the applicant provides evidence on the basis of which an investigation may be initiated, but also in case this evidence enables the HCO to obtain a judicial permit to carry out investigating measures (e.g. searching premises) even before any investigation is formally opened;
- the new Act would require undertakings to present their application on the form to be made available on the website of the HCO, which provision seems to exclude the possibility to make oral leniency applications;
- the new Act, contrary to the Notice, would not allow for a marker to be made on an anonym basis;
- the new Act would not require the leniency applicant to totally cease with the participation in the cartel to the extent that the participation is necessary for the HCO to carry out its investigation successfully;

- if a leniency applicant forced, or tried to force, another undertaking to participate in a cartel, such an applicant may be granted partial release from the fines (which is not possible under the Notice); and
- the new Act would not contain the strict deadlines for the HCO to decide on the preliminary (and conditional) leniency promise.

2. Damages actions

In order to ensure that undertakings are not refrained from revealing unknown cartels, the new Act provides that an undertaking that has been granted immunity from fines may refuse to reimburse the damages caused by the cartel as long as the claim can be collected from other undertakings being held liable for the same infringement. This provision does not prevent the claimant from commencing a lawsuit jointly against the infringing undertakings causing the damages, however, the proceedings shall be suspended until the final closing of the administrative lawsuit commenced to review the HCO's decision establishing the infringement.

As regards the calculation of damages, the new Act establishes a reversible presumption relating to the effect of cartel restrictions on prices: in the course of evidencing the effect of the infringement on the level of price applied by the infringer in lawsuits to enforce any civil law claim against a party of an agreement among competitors violating the cartel prohibition (restricting the competition, aimed at fixing the prices directly or indirectly, sharing markets, fixing production or sales quotas) it shall be deemed that the infringement affected the price by 10% unless the contrary is evidenced.

As regards the liability of individual, the new Act would introduce that the member of the management of the company that participated in the cartel would be prohibited from engaging in the management of any business association for 2 years. However, the President of Hungary requested the Constitutional Court to review the provisions on the rules establishing such liability.

9.2 Please mention any other issues of particular interest in Hungary not covered by the above.

There are no other issues other than those already mentioned above.

Acknowledgment

The authors would like to acknowledge the assistance of their colleague, Dr. Miklós Boronkay, in the preparation of this chapter.

**Dr. Judit Budai**

Szecskay Attorneys at Law
Kossuth tér 16-17
H-1055 Budapest
Hungary

Tel: +36 1 472 3000
Fax: +36 1 472 3001
Email: info@szecskay.com
URL: www.szecskay.com

Dr. Judit Budai is a Hungarian attorney admitted to the Budapest Bar (1994). She received her JD, cum laude, from Eötvös Loránd Faculty of State and Legal Science in Budapest in 1991 and an MBA from the Budapest Economic University (BEU) in 1996 in a joint BEU/London Business School programme and participated in an EC Law Post Graduate Program of the Center of European Law, School of Law, King's College London in 2004. She is a member of various professional organisations (UIA/President of the Banking Law Commission and Standing Member for Hungary of the M&A, Corporate and Financial Services Committees, Chairman of the Education Committee of the Hungarian Venture Capital Association, active member in LIDC and IBA). She is author of several articles and frequent speaker at conferences in M&A, corporate finance, competition law and capital markets areas. She was an associate at Weil, Gotshal & Manges before associating with the Firm in 1992. She currently specialises in M&A, competition law, finance, including project finance, capital markets and banking law and IP. She is fluent in English.

**Dr. Gusztáv Bacher**

Szecskay Attorneys at Law
Kossuth tér 16-17
H-1055 Budapest
Hungary

Tel: +36 1 472 3000
Fax: +36 1 472 3001
Email: info@szecskay.com
URL: www.szecskay.com

Dr. Gusztáv Bacher is a Hungarian attorney admitted to the Budapest Bar. He received his JD, summa cum laude, from Eötvös Loránd Faculty of State and Legal Science in 1998. Dr. Bacher is external lecturer at the University at the Department of Civil Law. He studied at the Faculty of Law in Vienna in 1997 and participated in the Post-Graduate Course on International Trade Law organised by the Asser Instituut, The Hague in 1999. He received his Master of Laws (LL.M.) degree in International Business Law at the Central European University (CEU) in 2001. Dr. Bacher is Secretary General of the Ligue Internationale du Droit de la Concurrence (LIDC) and in 2004 took the role as international rapporteur of LIDC on comparative advertising. Dr. Bacher is member of the Intellectual Property Expert Committee attached to the Hungarian Patent Office, the National Board Against Counterfeiting and Piracy (governmental advisory body), the board of the Hungarian Association for the Protection of Industrial Property and Copyright (MIE) as well as the Executive Committee of the Hungarian Group of the International Association for the Protection of Intellectual Property (AIPPI). Dr. Bacher has published various articles in the field of intellectual property, competition law, and advertising law, and is head of several working groups which prepare national reports for AIPPI and LIDC. Dr. Bacher associated with the Firm in 1999 and specialises in civil, competition, advertising and IP law and litigation. Dr. Bacher is fluent in German and English.



Our Firm is member of a number of local and international organisations [e.g.: Ligue Internationale du Droit de la Concurrence (LIDC), Competition Law Commission of Union International des Avocats, UIA]. Our attorneys regularly lecture at local and international conferences and participate in international research projects. Active participation in the above mentioned programmes of international organisations provide up-to-date information and knowledge to our colleagues on the most accurate stage of the development of competition laws and enables our attorneys to liaise with colleagues from all over the world on various aspects of competition laws and practices.

Dr. András Szecskay is the Hungarian contributor to "Global Competition Litigation" on competition litigation and private enforcement. Dr. Judit Budai is the Hungarian contributor to The ICLG to: Merger Control, published by Global Legal Group providing a practical international comparative law overview on antitrust and merger control rules. Dr. Gusztáv Bacher is the Secretary of LIDC and a member of the Competition Law Research Institute, Budapest.

Our Firm's involvement in domestic and cross-border transactions has allowed it to develop wide-ranging experience in competition and antitrust law matters, merger control procedures, and negotiations with the Hungarian competition authorities.

Our Firm is recognised for its expertise and practice in competition and antitrust (cartel and abuse of dominance), primarily with respect to pharmaceuticals, chemical, oil and gas, electricity, alcohol, tobacco production and distribution, beverages, cosmetics, financial services, coffee, sugar and other consumer products. We also frequently represent or advise clients in merger control proceedings.

In the past five years, we have been increasingly involved in defending or contesting, before the courts, alleged unfair market practices and, before the Hungarian competition authorities, misleading or prohibited comparative advertising and consumer deception.