

Schoenherr successful in competition litigation for Covalact SA



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Schoenherr Romania successfully assisted the dairy producer Covalact SA in litigation proceedings for the annulment of a competition fine.

In 2015, following an investigation conducted by the Romanian competition authority into the Romanian retail market, four retailers and their suppliers (including Covalact) were sanctioned with fines in amount of EUR 35m for alleged breach of competition rules for resale price fixing.

Covalact challenged the sanctioning decision and won the case both before the Bucharest Court of Appeals and recently before Romania's supreme court, the High Court of Cassation and Justice.

The litigation involved complex aspects both on the merits, in view of the applicable competition and EU laws, and on a procedural level. In this case, the competition authority filed for preliminary ruling proceedings to be initiated with the Court of Justice of the European Union (CJEU), but the claim was rejected based on the substantive arguments put forward by **Schoenherr Romania** team.

"We are proud to have successfully advised Covalact in this matter and want to thank the Covalact team for the excellent collaboration throughout this entire project." – said **Georgiana Badescu**, *partner, eu & competition*, who led the Schoenherr team involved in this project.

The services delivered by **Schoenherr Romania** in this case covered designing the case strategy, as well as court assistance in all phases of the litigation.

"Romanian courts continue to face large volumes of contentious administrative litigation, and mainly cases aimed at the annulment of decisions ruled on by the authorities. Our strong track record in similar cases and the collaboration between the firm's litigation and competition lawyers were the key ingredients in this project." – said **Sebastian Guțiu**, *office managing partner and head of the firm's dispute resolution practice in Romania*.

The **Schoenherr** team involved in the project was led by **Georgiana Badescu** (*partner*) and included **Iustin Armașu** (*managing attorney at law*); **Nora Olah** (*senior attorney at law*); and **Mona Banu** (*senior attorney at law*).