

# Press release: CMA challenges lighting company's pricing restrictions

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The CMA has provisionally found that a lighting supplier has broken competition law by restricting retailers' freedom to discount online.

The Competition and Markets Authority (CMA) has issued a statement of objections to Poole Lighting Limited (Poole), which supplies light fittings to national and independent retailers.

It is alleged the company stopped retailers from setting their own prices online and forced them to sell at – or above – a minimum price. This would be a form of 'resale price maintenance', which breaks competition law.

The CMA's findings are provisional and no final conclusion has been reached regarding whether there has been a breach of competition law.

Ann Pope, CMA Senior Director, Antitrust, said:

With more and more retail activity moving online, making sure competition works well in this channel is a priority for the CMA. That happens when retailers are free to set their own prices to attract customers using the internet to look for the best deal.

So we take allegations of online resale price maintenance seriously because it can keep those prices high and limit choice for consumers.

We will now carefully consider representations from the company before reaching a final decision.

The products being investigated by the CMA are the Saxby and Endon brands of domestic light fittings, including lamp shades, table lamps and wall light fittings. The size of the wider UK light fittings sector is estimated at £1.22 billion annually, including domestic and commercial sales.

## **Notes for editors**

1. The CMA is the UK's primary competition and consumer authority. It is an independent non-ministerial government department with responsibility for carrying out investigations into mergers, markets and the regulated

industries and enforcing competition and consumer law.

2. The Chapter I prohibition of the Competition Act 1998 covers anti-competitive agreements, concerted practices and decisions by associations of undertakings which have as their object or effect the prevention, restriction or distortion of competition within the UK or a part of it and which may affect trade within the UK or a part of it. Similarly, Article 101 of the Treaty on the Functioning of the European Union (TFEU) prohibits such anti-competitive agreements, concerted practices and decisions by associations of undertakings which may affect trade between EU member states.
3. The CMA has produced a series of [animated videos](#) explaining the main principles of competition law and how they affect small businesses.
4. The CMA fined 2 other companies for online resale price maintenance in May 2016: one in the [bathroom fittings sector](#) and one in the [commercial refrigeration sector](#).
5. The estimated size of the wider UK light fittings sector is £1.22 billion annually according to AMA Research Limited's 'Lighting Market Report – UK 2016-2020 Analysis', 13th edition, July 2016.
6. Any business found to have infringed the Competition Act 1998 could be fined up to 10% of its annual worldwide group turnover. In calculating financial penalties, the CMA takes into account a number of factors including seriousness of the infringement(s), turnover in the relevant market and any mitigating and/or aggravating factors.
7. The statement of objections is addressed to the following companies which the CMA provisionally considers were directly involved in the alleged infringements and/or are liable as parent companies of the companies directly involved in the alleged infringements:
  - Saxby brand: Poole Lighting Limited, Saxby Lighting Limited and their parent company, The National Lighting Company Limited.
  - Endon brand: Poole Lighting Limited, Endon Lighting Limited and their parent company, The National Lighting Company Limited.
8. The CMA has not addressed the statement of objections to any retailer. This is because the CMA has applied Rule 5(3) of its Competition Act 1998 Rules, according to which it may address its proposed infringement decision to fewer than all the persons who were party to the relevant agreements.
9. A statement of objections gives parties notice of a proposed infringement decision under the Competition Act 1998. It is a provisional decision only and does not necessarily lead to an infringement decision. Parties have the opportunity to make written and oral representations on the matters set out in the statement of objections. Any such representations will be considered by the CMA before any final decision is made.
10. The statement of objections will not be published. In accordance with the guidance [Competition Act 1998: Guidance on the CMA's investigation procedures in Competition Act 1998 cases \(CMA8\)](#), any person who is in a position materially to assist the CMA in testing its factual, legal or economic arguments may request a non-confidential version of the statement of objections by contacting the CMA.
11. The CMA currently has 12 ongoing cases open under the Competition Act 1998.

12. For more information on the CMA see our [homepage](#) or follow us on Twitter [@CMAgovuk](#), [Facebook](#), [Flickr](#) and [LinkedIn](#). Sign up to our [email alerts](#) to receive updates on Competition Act 1998 and civil cartels cases.
13. Information on this investigation can be found on the [case page](#).
14. Enquiries should be directed to Rebecca Cassar ([rebecca.cassar@cma.gsi.gov.uk](mailto:rebecca.cassar@cma.gsi.gov.uk), 020 3738 6633).