



Key terms: Dismissal – Decision of the Prosecution body

PRESS RELEASE

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The Prosecution Body dismisses the complaint against the major American film studios with regard to « Virtual Print Fee »

This complaint is linked to the digitalization of the movie theatres and the investments involved. In order to step up the transition from traditional projection to digital projection, the major American film studios (hereafter the Majors) have decided to contribute themselves towards the costs to digitalise the European movie theatres. To this end they cooperate with the so-called integrators who finance, install and maintain the digital projection equipment in the movie theatres. In return the Majors pay a Virtual Print Fee (VPF) to these integrators until they have recouped their investment.

Since the complainant had invested himself in the digitalisation of his cinema (4 screens), without having recourse to an integrator, the Majors turned down his claim to a VPF.

An inquiry by the Prosecution Body has shown that there are objective reasons for the Majors not to pay a VPF to the complainant. By cooperating with the integrators the movie theatres could i.a. be digitalized much cheaper.

Besides the investigation did not disclose conditions which restricted competition in the agreements between the Majors and the integrators. Anyhow that last item was already examined by the European Commission (see IP/11/257).



As a result the Prosecution Body of the Belgian Competition Authority comes to the conclusion that this complaint is admissible but unfounded.

You can find the decision on the website of the Belgian Competition Authority.

Complainant : NV Handling CO

Undertakings concerned : NV Sony Pictures Releasing, BVBA The Walt Disney Company (Benelux), NV Universal Pictures International Belgium, NV Twentieth Century Fox Film Belge and Warner Bros. Studios Leavesden Limited

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The BCA (composed of the Competition College and the President as the decision making body in formal procedures and the Prosecution body under the direction of the Competition prosecutor general) has as mission statement to promote and to safeguard the existence of an effective competition in Belgium. To this end she examines and may impose sanctions on restrictive practices (cartels, abuse of dominant position). Its examines also the admissibility of concentrations which might have a noticeable effect on the market. To this end the authority applies books IV and V of the Code of Economic Law as stipulated in the act of 3 April 2013 (Belgian Official Gazette of 26 April 2013) and competition rules of the European Union such as articles 101 and 102 of the TFEU (ex-articles 81 and 82 of the EC treaty).The authority takes part in the implementation of the European competition policy. She works together with other competition authorities and is member of the European competition network(ECN), the European Competition Authorities (ECA) and the International Competition Network.