

# Press-release of 12.08.2010

12 августа 2010, 17:24

On 9th August 2010, the Federal Antimonopoly Service (FAS Russia) fined "Russian Railways" OJSC ("RZhD" OJSC) 68,080,909.8 Rubles for abusing market dominance on the market of services for providing bed linen in the trains sorted for the Russian Federation (exclusively of enhanced comfort cars).

On 18th August 2009, FAS Russia found that "RZhD" OJSC violated Part 1 Article 10 of the Federal Law "On Protection of Competition" (abusing market dominance).

The company violated the law by including the fee for using bed linen in the passenger transportation tariffs in accordance with Clause 1 of No.1211r Order of "RZhD" OJSC "On Including the Fee for Use of Bed Linen in the Tariffs for Passenger Transportation" of 16th June 2006.

Following the Clause, "RZhD" OJSC was able to charge the passengers of long-distance trains, travelling in cars with reclining couchettes, compartment cars and second-class sleeper carriages (not classified as enhanced comfort cars), for use of bed linen by including the fee in the passenger transportation tariff.

Such actions of the carrier are in breach of Clauses 32, 33 of the Rules for rendering services for railway transportation of passengers as well as load and luggage for personal, family, household and other needs, not related to entrepreneurial activity, which were approved by No.111 Decree of the Government of the Russian Federation of 2nd March 2005.

Therefore, "RZhD" OJSC infringed passengers' interests. On 8th July the Federal Arbitration Court of the Moscow District fully confirmed validity of the FAS Russia's decision and determination on the case.

Under Article 14.31 of the Code on Administrative Violations, FAS Russia made "RZhD" OJSC administratively liable and fined the company 1.5 % of the income gained from rendering services for use of bed linen in the trains sorted for the Russian Federation (exclusively of enhanced comfort cars) in 2008.