

# Press-release of 29.06.2010

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On 22nd June 2010, the Federal Antimonopoly Service (FAS Russia) found that a group of persons comprising "RusSol Limited", "Bassol" OJSC and "Iletsksol" Ltd. and "Russol Trading" Ltd. violated Article 11 of the Federal Law "On Protection of Competition": "Russol Trading" Ltd. concluded an illegal "vertical" agreement with "Bassol" OJSC and "Iletsksol" Ltd., which resulted in fixing resale prices.

The FAS Russia's Commission established that "Russol Trading" Ltd., "Bassol" OJSC and "Iletsksol" Ltd. concluded supply contracts, under which all salt produced by "Bassol" OJSC and "Iletsksol" Ltd. was given to "Russol Trading" Ltd.

Clause 19 Article 4 of the Federal Law "On Protection of Competition" defines "vertical" agreements as agreements between economic entities that do not compete with each other, when one of them is a buyer or a potential buyer and another supplies the goods or is a potential seller.

Having analyzed competitive environment on the salt market, FAS Russia discovered that the total share of "Bassol" OJSC and "Iletsksol" Ltd. on the market of cooking salt is around 30%, and on the market of non-cooking technical salt (for chemical conversion with further use for producing other products or for industrial purposes) within defined geographic and product boundaries - more than 30%.

Investigating the case, FAS Russia discovered that salt production by "Bassol" OJSC and "Iletsksol" Ltd. is highly profitable.

Nevertheless, "Russol Trading" Ltd. was reselling salt to its customers at a price exceeding the purchasing price for a similar type of salt by 76.6% - 98.3%.

As the fact of the violation is established, FAS Russia will initiate administrative proceedings against the violators.