COMMISSION DECISION

of 7 November 1977

relating to a proceeding under Article 85 of the EEC Treaty (IV/417 — BPICA)

(77/722/EEC)

THE COMMISSION OF THE EUROPEAN COMMUNITIES,

Having regard to the Treaty establishing the European Economic Community, and in particular Article 85 thereof,

Having regard to Regulation No 17 of 6 February 1962 [1], and in particular Articles 2, 5, 6, 7 and 8 thereof,

Having regard to the application for negative clearance and the notification made in connection therewith on 29 October 1962, as required by Regulation No 17, by Mr. P. Lemaigre, Chairman of the International Permanent Bureau of Motor Manufacturers (BPICA), Paris, concerning the regulations governing the display of motor vehicles at international exhibitions,

Having regard to the publication of a summary of the notification, in accordance with Article 19 (3) of Regulation No 17, in Official Journal No C 72 of 23 March 1977,

Having regard to the opinion delivered on 13 July 1977 by the Advisory Committee on Restrictive Practices and Dominant Positions in accordance with Article 10 of Regulation No 17,

Whereas :

I. The facts

The facts are the following :

A.

1. BPICA is a non-profit-making association which was formed in 1919 in accordance with the French Law of 1 July 1901. The following national associations are currently members :

Verband der Automobilindustrie e.V. (VDA),
Westendstraße 61, 6000 Frankfurt/Main 17 (Federal Republic of Germany) ;

Fachverband der Fahrzeugindustrie Österreichs,
Lugeck 1/I/32, 1011 Wien 1 (Austria) ;

Fédération Belge des Industries de l'Automobile et du Cycle (FEBIAC),
Boulevard de la Woluwe 46, 1200 Bruxelles (Belgium) ;

Sammenslutningen af Automobil-Fabrikanter og Importører,
Ryvangs Allé 68, 2900 Hellerup (Denmark) ;

Agrupacion Nacional de Fabricantes de Automoviles y Camiones (ANFAC),
Cea Bermudez 6, Madrid 3 (Spain) ;

Motor Vehicle Manufacturers Association of the United States, Inc. (MVMA),
320 New Center Building, Detroit, Michigan 48202 (United States) ;

Chambre Syndicale des Constructeurs d'Automobiles (CSCA),
2, Rue de Presbourg, 75008 Paris (France) ;

MOGÜRT, Société Hongroise pour le Commerce d'Automobile,
Benczur U 13, Budapest VI (Hungary) ;

Associazione nazionale fra industrie automobilistiche (ANFIA),
Corso Galileo Ferraris 61, Torino (Italy) ;

Japan Automobile Manufacturers Association (JAMA),
Otemachi Building 6—1, Otemachi, 1-chome, Chiyoda-ku, Tokyo 100 (Japan) ;

Automobilimportørens Førening,
Hauchsgt. 1, Oslo 1 (Norway) ;

Nederlandse Vereniging de Rijwiel- en Automobiel-Industrie (RAI),
Europaplein 2, Amsterdam 1010 (Netherlands) ;

The Society of Motor Manufacturers & Traders Ltd (SMMT),
Forbes House, Halkin Street, London SW1X 7DS (United Kingdom) ;

Sveriges Bilindustri- och Bilgrossistförening,
Industrihuset, Storgaten 19, S 114 85 Stockholm (Sweden) ;

Chambre Syndicale Suisse de l'Automobile et branches annexes,
18, Quai Ernest Ansermet, 1211 Genève 4 (Switzerland) ;

MOTOKOV [2],
Olsanska 1, 130 81 Praha 3 (Czechoslovakia) ;

V.O. AVTOEXPORT [2],
Volkhonka ul. 14, 119902 Moscow G—19 (USSR) ;

Biro Proizvodaja Motornih Vozila,
Bulevar Vojvode Misica 14, Beograd (Yugoslavia) ;

Polmo,
ul. Stalingradzka 23, 00—987 Warszawa (Poland) ;

Autotuojat r.y.,
Annankatu 31—33 d 59, 00100 Helsinki 10 (Finland).

[1] OJ No 13, 21. 2. 1962, p. 204/62.

[2] Motokov and V.O. Avtoexport are the official bodies responsible in Czechoslovakia and the USSR respectively for external trade in motor vehicles.

2. The national associations include among their members all the motor vehicle manufacturers within their respective countries. In certain cases assemblers and importers are also represented. Associations representing manufacturers and assemblers are admitted to full membership. Those representing only importers may belong to BPICA only if their country has no association representing manufacturers and assemblers; but they will only be associate members of BPICA, unless the general assembly decides to admit them, at their own request, as full members. Associations representing manufacturers and assemblers who feel that BPICA does not really concern them directly, for example because of their geographical distance, may, if they so request, be admitted as correspondent members. Only one association per country is admitted. Full members each have one vote. Associate members have no more than a consultative function, though they may vote on resolutions concerning exhibitions organized in their own country. Applications for admission to membership are brought before the assembly, which decides by a majority of two-thirds of the votes of the full members [1].

3. The principal objects of BPICA, as set out in its statutes, are :

— to collect and circulate among members all information on matters of common interest in the development of the motor industry and to promote joint studies on such matters,

— to work out the most appropriate line of conduct in relation to such matters and to address recommendations to members,

— to represent and defend the interests of the motor industry on all occasions and before all bodies where joint action is felt to be appropriate,

— to regulate the display of motor vehicles at shows and exhibitions, in accordance with regulations approved by the assembly.

The application for negative clearance and notification presented by BPICA relates to the last of these objects and to the regulations adopted in pursuance thereof. The present proceeding is without prejudice to any assessment which the Commission may make within the framework of EEC rules on competition, of any measures taken or arrangements made by BPICA for the purpose of achieving the objectives set out in its statutes.

[1] Certain countries are not represented in BPICA, the trade associations in those countries not having applied for membership (Luxembourg and Ireland are two cases in point).

B.

4. The 'regulations concerning the display of motor vehicles at international exhibitions' (hereinafter referred to as 'the regulations'), in the form currently in force, were adopted on 17 May 1976. They are broadly the same as the original regulations of 1960, amended in 1971, which were the subject of the application for negative clearance and of the notification.

5. The main points of the current regulations are as follows :

— They apply to any display of motor vehicles at international motor exhibitions (motor shows), international fairs and international specialized exhibitions including racing and sports car shows (Article 1 (1)). No BPICA authorization is necessary for the display of motor vehicles at national sections within a universal exhibition or at national exhibitions in a foreign country (Article 1 (2)), nor for national, regional and local exhibitions, which fall under the responsibility of the national associations (Article 1 (3)).

— BPICA recognizes as international exhibitions all those recognized as such by the respective governments and/or those fairs in membership with UFI (Union of International Fairs) and all exhibitions generally recognized as international, in consideration of the location of the exhibition and/or the number of exhibitors and/or the countries of origin and/or the number of visitors (Article 2 (1)).

BPICA recognizes as international specialized exhibitions those international exhibitions where equipment for a special purpose or specific types of motor vehicles are displayed (Article 2 (2)).

It recognizes as universal exhibitions those exhibitions designed for the presentation on a national basis of the products of several nations (Article 2 (3)).

BPICA recognizes as national exhibitions in another country those exhibitions the purpose of which is to publicize the products of the nation concerned in another country (Article 2 (4)).

BPICA recognizes as national, regional and local exhibitions those exhibitions in which the interests of exhibitors and visitors concern respectively those of a country, a region or a locality and its neighbouring area (Article 2 (5)).

— The regulations apply to international exhibitions held in all European countries, whether or not they are represented in BPICA [1] (Article 3 (1)). They apply, through the national associations, to motor vehicle manufacturers and through the latter to their representatives (Article 3 (2)). They apply to new motor vehicles designed for normal operation on public roads and — provided no contrary national legal provisions exist — to motor vehicles registered for less than six months (Article 3 (3)).

— The authorization to display motor vehicles at international specialized exhibitions is only granted for the display of special purpose motor vehicles, corresponding to the type of exhibition concerned (Article 4).

— Each year the BPICA secretariat, with the support of the national associations, prepares a list of the international exhibitions for which BPICA authorization is required (Article 5). From this list the assembly annually approves the calendar of international exhibitions for which participation of motor vehicles is authorized for the following year (Article 6).

— Applications for authorization to display at international exhibitions are submitted to the BPICA secretariat, either by the member association in the country concerned, or failing this, by the association representing automobile construction and/or trade in that country, or by the member association of another country, or by the organizers of the relevant exhibition (Article 7). The secretariat informs those concerned of the outcome of their application (Article 8 (2)).

— The secretariat circulates the calendar of international exhibitions at which the display of motor vehicles is authorized for the member associations (Article 8 (1)); the associations communicate the calendar to their members (Article 9 (1)). Each association is required to give adequate publicity to BPICA decisions so that those concerned cannot claim to be unaware of them (Article 9 (2)).

— In the event of infringement of the regulations by a manufacturer, BPICA decides what sanctions will be imposed. These sanctions may consist in the allotment of less favourable or reduced stands at the motor show of the country where the infringement has been reported (Article 10). No sanction has ever been applied.

[1] Of the EEC countries, Ireland and Luxembourg are not represented in BPICA (see footnote on page 19 of this Official Journal).

6. On 21 November 1960 additional provisions were added to the BPICA regulations, dealing with the display of specialized vehicles at international exhibitions. The main provisions are as follows:

— The vehicles and exhibitions concerned are those governed by the BPICA regulations (Article 1).

— Specialized vehicles are taken to mean vehicles which are designed and constructed or fitted with special equipment in such a way that they can be used only for special purposes (Article 2 (1)).

— International specialized exhibitions are taken to mean exhibitions where only the products of one industry or of one field of activities are displayed. Specialized sections within international fairs are regarded as international specialized exhibitions (Article 3).

— Specialized vehicles may be displayed only at international specialized exhibitions authorized by BPICA (Article 5 (1)).

  Spezialized vehicles displayed at an international specialized exhibition or at a specialized section within an international fair may also be exhibited in motor shows authorized by BPICA (Article 5 (2)).

— Three categories of specialized exhibitions (or of specialized sections at international fairs) were determined at the time these provisions were adopted:

  (a) public works and building exhibitions;

  (b) municipal exhibitions;

  (c) fire protection exhibitions (Article 4).

  Other categories of international specialized exhibitions were subsequently included, thus extending the number of events at which motor vehicles may be displayed.

C.

7. The national associations organize the motor shows held in their respective countries.

Each year several motor shows are held at which cars and/or trucks and buses and the like are displayed. They are generally held in Amsterdam, Barcelona, Belgrade, Brussels, Copenhagen, Frankfurt, Geneva, London, Paris and Turin.

The international fairs where BPICA authorizes the display of motor vehicles are those held each year in Brno, Budapest, Izmir, Leipzig, Poznan and Plovdiv.

8. International specialized exhibitions are normally organized by fair organizers or by the relevant trade associations.

It must be remembered that the vehicles which may be displayed at these exhibitions are specialized vehicles corresponding to the relevant type of exhibition (Article 4 of the BPICA regulations).

The main international specialized exhibitions currently recognized by BPICA are the following :

— public works and building exhibitions (1). These are generally held twice a year in the Community. The main centres are Brussels, Hanover, Luxembourg, Munich and Paris-Le Bourget in the EEC, and Basle, Madrid and Vienna outside the EEC ;

— municipal exhibitions (2). These are generally held twice annually in the Community, chiefly in Amsterdam, Brussels, London and Paris ;

— camping exhibitions (3), which are usually held annually, at Amsterdam and Essen ;

— fire-fighting exhibitions (4). These were held at Amsterdam in 1970, Frankfurt in 1972, and Amsterdam and London in 1975 (6) ;

— container exhibitions were held at Genoa and Munich in 1970, London, Paris and Rotterdam in 1971, Hamburg in 1972 and Munich in 1974 (6) ;

— racing and sports car shows (5) are generally held annually, at Paris, Brussels and/or London, Copenhagen, Malmö, Göteborg and Stockholm ;

— airport equipment exhibitions were held at Paris-Le Bourget in 1971, Geneva in 1972 and Brussels in 1975 (6).

(1) The vehicles displayed include site and quarry skips, concrete mixers, mobile crushing and screening plant, cranes, excavators, dumpers, spreaders, bitumen heaters and grit spreaders. This list is not exhaustive.
(2) The vehicles displayed include vehicles for emptying and cleaning sewers, refuse collection vehicles, sprayers, road sweepers, snow ploughs, ambulances, etc. The list is not exhaustive.
(3) The vehicles displayed consist solely of powered caravans.
(4) The vehicles displayed include tankers, fire engines, pump wagons, airport fire engines, emergency rescue vehicles, mechanical ladders, forestry fire-fighting tankers, emergency breakdown vehicles and ambulances. The list is not exhaustive.
(5) The cars displayed are formula racing cars and sports cars having won a race in the preceding year.
(6) Includes only exhibitions held between 1970 and 1975.

D.

9. Either at the Commission's request or of its own accord, BPICA has made the following changes to the regulations earlier in force :

— The field of application of the regulations has been defined more clearly ; it is now stated that they apply to any display of motor vehicles at international exhibitions.

— The clause which gave BPICA almost total freedom to decide whether an exhibition was international or not and to authorize or prohibit the display of motor vehicles there has been deleted. The international exhibitions currently concerned by the BPICA regulations are those exhibitions which are recognized as international by the appropriate national authorities, those which are members of UFI and those which are generally recognized as international. BPICA will no longer be able to declare arbitrarily that a purely national or regional exhibition is to be considered as international, and to enter it on the list of international exhibitions at which it prohibits the display of motor vehicles.

— No authorization is now required from BPICA for the display of motor vehicles at national exhibitions held in foreign countries.

— The clause under which applications for authorization for international exhibitions organized in a country represented in BPICA had to be submitted to the BPICA secretariat solely by the member association in the relevant country has been so amended that such applications may also be submitted by the member association in another country or by the organizers of the relevant exhibition.

— The clause which required BPICA authorization to display vehicles as 'supports' of other materials or of other products at international exhibitions not included in the calendar has been deleted.

— BPICA has also deleted the clause under which it was generally prohibited, unless so authorized by the relevant national association, to hold several specific exhibitions at the same time in the same place (7) ; to organize special exhibitions in countries which had a motor show, during a period beginning two months before that motor show

(7) 'Special exhibitions' are events organized outside his normal business premises by a manufacturer or his representative for the display of vehicles of the make or makes which he manufactures, assembles, represents or distributes.

and ending at the same time as it; to display vehicles of different manufacture at the same special exhibition.

— The penalties imposed for breaches have been reduced. A person in breach may no longer be excluded from one or more exhibitions but may be given less favourable or reduced stands at the motor show in the country where the breach was committed.

E.

10. In assessing this case account must be taken of certain factors which are characteristic of fairs and exhibitions in general; these were highlighted by the Commission in Cases IV/93 (European Machine Tool Exhibition — EEMO) (1) and IV/181 (European Committee of Textile Materials Manufacturers — CEMATEX) (2); they concern:

— the importance of fairs and exhibitions as a source of market information both in respect of suppliers and in respect of actual or potential customers;

— the preference for specialized exhibitions over general exhibitions. This is due, first, to the requirements both of exhibitors and of visitors that there be the broadest and fullest range of products of an industry on display and, secondly, to the fact that non-specialized exhibitions are finding it increasingly difficult to display an adquately representative range products in the space available.

It should also be noted that, of the 400 or so international fairs held each year within the EEC, the vast majority are specialized events dealing with the goods of specific industries. Only 30 or so are general international fairs, most of which take place in France and Italy (about 10 per year in each country). In the United Kingdom and Denmark, on the other hand, these exhibitions are not normally held. In the other EEC countries they are generally divided as follows: five in the Federal Republic of Germany, three in Belgium, two in the Netherlands, one in Ireland and one in Luxembourg. These general international fairs might entail the display of motor vehicles in the absence of a prohibition in the BPICA regulations. However, most of them either have no interest in including the motor industry among those represented or else do not have the space to display a full range of motor vehicles in addition to the products already exhibited. Hence the motor industry would be inadequately represented and this would harm both the manufacturers and the consumer.

11. Turning to the specific example of motor vehicle exhibitions, where the customers consist of private individuals for cars and of trade associations and/or public authorities for most of the vehicles displayed at specialized exhibitions, the following points must be considered:

— in addition to the motor shows and international specialized exhibitions set out in the BPICA calendar, motor vehicles may be presented at the following exhibitions, where no BPICA authorization is required:

  (a) national sections in universal exhibitions, national exhibitions held in foreign countries and national exhibitions. Such exhibitions are, however, rather infrequent;

  (b) regional and/or local or special exhibitions. There are large numbers of these in the EEC countries;

  (c) international exhibitions not entered in the BPICA calendar, when the vehicles are displayed as 'supports' for other materials or other products;

— BPICA does not prohibit manufacturers and/or their representatives from advertising their vehicles at international exhibitions not entered in the calendar;

— the mass-circulation and specialized press is of particular importance as a source of advertising and information to consumers, particularly as regards private cars, and is in a position to keep the consumer adequately informed both of new models which will be placed on the market and of technical improvements made to existing vehicles.

F.

12. A notice summarizing the contents of the notification and inviting comments from third parties was published in the *Official Journal of the European Communities* pursuant to Article 19 (3) of Regulation No 17. The comments received concerned in particular the fact that, by forbidding manufacturers and their representatives to display motor vehicles at international exhibitions not authorized by BPICA the

(1) OJ No L 69, 20. 3. 1969, p. 13.
(2) OJ No L 227, 8. 10. 1971, p. 26.

regulations restrict the freedom of these manufacturers to take part in such exhibitions and thereby deprive the exhibitions of the added bonus of motor vehicles as a means of attracting visitors. As the essential contents of these observations had already been made known to the Commission in the course of its investigation, the assessment of the BPICA regulations remains unchanged.

G.

13. This proceeding does not cover the regulations concerning the display of motor vehicles at national, regional and local exhibitions, nor the rules of procedure for motor shows and international specialized exhibitions.

II. Applicability of Article 85 (1)

Article 85 (1) of the Treaty prohibits as incompatible with the common market all agreements between undertakings, decisions of associations of undertakings and concerted practices which may affect trade between Member States and which have as their object or effect the prevention, restriction or distortion of competition within the common market.

1. The BPICA regulations constitute a decision by an association of associations of undertakings, in that BPICA represents the national federations, which in their turn represent the manufacturers, assemblers or importers of motor vehicles.

2. The BPICA regulations currently in operation extended solely to international exhibitions held in Europe and contain the following provisions which have the object or effect of restricting competition within the common market:

— the manufacturers of motor vehicles and, through them, their representatives are prohibited from taking part in international exhibitions and fairs which are not in the BPICA calendar;

— the author of an infringement may be given a less favourable or reduced stand at the motor shown in the country where the breach was committed.

3. These provisions cause the following restrictions on competition within the common market:

— As regards the organization of fairs and exhibitions, the fact that motor shows and international specialized exhibitions authorized by BPICA are attended by most if not all motor vehicle manufacturers in the Community and elsewhere and by their representatives means that other international fairs and exhibitions cannot display motor vehicles as a means of attracting visitors. The result is a restriction of competition in a service industry, namely the organization of fairs and exhibitions.

— Competition between motor manufacturers is also restricted for they are confined to events authorized by the BPICA. While it is true that such events, and especially motor shows, are important enough for the manufacturers to regard participation as essential, the fact remains that they cannot display their vehicles at other international fairs or exhibitions.

— Competition between intermediaries in the motor industry is also restricted, for they cannot take part in any international event which is not authorized by BPICA, even though it would be advantageous for them to display their vehicles at least at those events which take place in their area of activity.

4. These restrictions of competition are liable to affect trade between Member States, for on the one hand the organizers of international fairs and exhibitions not authorized by BPICA cannot display motor vehicles as a means of attracting visitors and, on the other hand, the motor manufacturers and their commercial intermediaries cannot freely exercise their advertising and sales activity by taking part in such fairs and exhibitions.

These obstacles to trade in services by organizers of fairs and exhibitions and to dealings in motor vehicles between EEC countries are liable to jeopardize freedom of trade between Member States and to impede the objective of creating a single market for all those States.

5. Article 85 (1) is consequently applicable to the BPICA regulations and the negative clearance applied for by BPICA cannot be given.

III. Applicability of Article 85 (3)

Under Article 85 (3), the provisions of Article 85 (1) may be declared inapplicable in the case of any decision by an association of undertakings which contributes to improving the production or distribution of goods or to promoting technical or economical progress, while allowing consumers a fair share of the resulting benefit, and which does not:

(a) impose on the undertakings concerned restrictions which are not indispensable to the attainment of these objectives;

(b) afford such undertakings the possibility of eliminating competition in respect of a substantial part of the products in question.

1. The need for the rationalization of international fairs and exhibitions already alluded to by the Commission [1] entails the concentration of international events where motor vehicles are displayed; the advantages of this type of concentration are as follows:

(a) The full range, or nearly the full range, of supply from the motor vehicle industry can be brought together and compared, which has the effect of stimulating technical progress, giving better guidance to the consumer through the presentation of a full, up-to-date display of the products of the relevant industry, while providing favourable circumstances for the negotiation and conclusion of business transactions. These benefits more than offset the disadvantage to fair organizers posed by the restriction on the freedom of manufacturers to display their vehicles. But it must be remembered that this restriction itself concerns only international exhibitions.

(b) It also promotes the marketing of motor vehicles. Since exhibitors may display their motor vehicles only at events authorized by BPICA — which are considered important enough to necessitate participation even though the expense involved is high — the prohibition on participation in all other international events results in a considerable reduction in the costs of taking part in fairs and exhibitions; this is turn reduces the cost price of each motor vehicle.

It can therefore be concluded that the BPICA regulations contribute to improving the distribution of the relevant products and to promote economic progress, so that they satisfy the first condition for the application of Article 85 (3) of the Treaty.

2. It may also be concluded that a fair share of this improvement in distribution and economic progress accrues to the consumer. The periodic concentration of supply enables prospective purchasers to gain a full picture of the range of products available and to decide on what they will buy without having to travel about; furthermore, in view of the keen competition existing in the motor industry, it is likely that the manufacturers' selling prices will, to some extent at least, reflect the savings made as a result of their participation in a smaller number of events. In any case, motor vehicles may be displayed at national, regional, local and special exhibitions.

The regulations consequently satisfy the second condition for the application of Article 85 (3).

3. The BPICA regulations impose no restrictions which are not indispensable to the attainment of these objectives. The restriction which flows from the obligation for motor manufacturers and their representatives to refrain from taking part in international exhibitions other than those authorized by BPICA may be regarded as indispensable to the attainment of the benefit achieved through rationalization of the display of motor vehicles at such events.

The regulations consequently satisfy the third condition for the application of Article 85 (3).

4. The BPICA regulations do not eliminate competition between fair organizers, for they are entitled to seek the participation of motor manufacturers at any exhibition other than those which are not authorized by BPICA. In any case, the display of motor vehicles at an exhibition is only one form of attraction among many others.

The regulations do not eliminate competition between manufacturers or distributors of motor vehicles, for the display of a product at an exhibition is only one of many methods of marketing. In order to promote sales for manufacturers of motor vehicles and their representatives have at their disposal all the facilities of the mass media for attracting the largest possible number of consumers, not to mention the additional promotion made by the manufacturers' representatives in their direct contact with potential customers.

[1] Commission Decisions in EEMO and CEMATEX (cited in this Official Journal) and Commission Decision of 17 July 1975 in case IV/28.775 — UNIDI (OJ No L 228, 29. 8. 1975, p. 17).

In the present case the following points must be borne in mind :

— several motor shows are held each year in the EEC ;

— the main international specialized exhibitions currently on the BPICA calendar are generally held once or twice yearly in the Community territory. If some of them are held at longer intervals, this is chiefly because the manufacturers themselves or the fair organizers are not interested in organizing them annually as the BPICA regulations would allow. It must also be borne in mind that 'specialized' vehicles may also be displayed at ordinary motor shows ;

— manufacturers and their representatives may take part in national, regional, local and special exhibitions, and do not require BPICA authorization to do so.

The regulations consequently satisfy the fourth condition for the application of Article 85 (3), so that all the tests for exemption are satisfied.

IV. Applicability of Articles 6, 7 (1) and 8 (1) of Regulation No 17

1. The version of the BPICA regulations which operated until 17 May 1976 did not qualify for exemption under Article 85 (3), for BPICA's discretionary power to decide whether this or that event was international or not, with the corollary power to authorize or prohibit the displays of motor vehicles there, gave it the possibility of deciding that events which were in reality national or regional only were to be regarded as international and to prohibit the display of motor vehicles at such events. This placed it in a position to prevent the organizers of fairs and exhibitions in general from displaying motor vehicles, and competition between these organizers was therefore liable to be eliminated.

In response to Commission objections the regulations were so amended on 17 May 1976 that BPICA no longer has absolute discretionary power to declare that a given fair or exhibition is international. The anti-competitive clauses which excluded the operation of Article 85 (3) were dropped and the exemption under that paragraph may therefore have effect from 17 May 1976.

2. Article 7 (1) of Regulation No 17 requires the Commission to determine the period during which the prohibition in Article 85 (1) of the Treaty is to be applicable. The conditions precedent to the application of that Article are met in this case, for the BPICA regulations were adopted before Regulation No 17 came into force and were notified within the time limits set by Article 5 (1) of that Regulation. Since the regulations gave BPICA full discretionary power to decide whether an event was international or not, they did not qualify for Article 85 (3) exemption ; but they were amended to satisfy the requirements of Article 85 (3) within a reasonable period in response to Commission objections. The prohibition in Article 85 (1) of the Treaty should therefore be inapplicable as from 13 March 1962, when Regulation No 17 entered into force, to 17 May 1976, when the new BPICA regulations came into force.

3. In determining the duration of its decision under Article 8 (1) of Regulation No 17, the Commission must take account of the specific nature of the area covered by this case and of the frequency of the events authorized by BPICA ; a period of six years would seem appropriate.

4. Conditions must be attached to this Decision pursuant to Article 8 (1) of Regulation No 17, so as to enable the Commission to verify whether, as a result of any change in the facts which were basic to the making of the Decision, the exemption should be revoked under Article 8 (3) of Regulation No 17, or whether specific acts on the part of those concerned should be prohibited. To this end, BPICA must be required to send to the Commission each year the calendar of fairs and exhibitions which it regards as international and of those where the display of motor vehicles is authorized, together with copies of the requests for authorization of international specialized exhibitions lodged with the BPICA secretariat and copies of the letters from that secretariat refusing such requests,

HAS ADOPTED THIS DECISION :

Article 1

It is hereby declared, pursuant to Article 85 (3) of the Treaty establishing the European Economic Community, that the provisions of Article 85 (1) are inapplicable to the BPICA regulations.

Article 2

This Decision shall have effect from 17 May 1976 until 17 May 1982. The prohibition in Article 85 (1) of the Treaty is declared inapplicable for the period from 13 March 1962 to 17 May 1976.

Article 3

Each year BPICA shall furnish to the Commission :

— a list of the international exhibitions at which the display of motor vehicles is subject to its authorization ;

— the calendar of international exhibitions at which the display of motor vehicles is authorized ;

— copies of requests for authorization of international specialized exhibitions addressed to the BPICA secretariat and copies of all the letters whereby BPICA informs the applicant organizations that their request is refused.

Article 4

This Decision is addressed to the International Permanent Bureau of Motor Manufacturers (BPICA), 4, rue de Berri, Paris, France, and to the following member national associations, to which BPICA is required to forward the Decision :

Verband der Automobilindustrie E.V. (VDA),
Westendstraße 61, 6000 Frankfurt/Main 17 (Federal Republic of Germany) ;

Fachverband der Fahrzeugindustrie Österreichs,
Lugeck 1/I/32, 1011 Wien 1 (Austria) ;

Fédération Belge des Industries de l'Automobile et du Cycle (FEBIAC),
Boulevard de la Woluwe 46, 1200 Bruxelles (Belgium) ;

Sammenslutningen af Automobil-Fabrikanter og Importører,
Ryvangs allé 68, 2900 Hellerup (Denmark) ;

Agrupación Nacional de Fabricantes de Automoviles y Camiones (ANFAC),
Cea Bermudez 6, Madrid 3 (Spain) ;

Motor Vehicle Manufacturers Association of the United States, Inc. (MVMA),
320 New Center Building, Detroit, Michigan 48202 (United States) ;

Chambre Syndicale des Constructeurs d'Automobiles (CSCA),
2, rue de Presbourg, 75008 Paris (France) ;

MOGÜRT, Société Hongroise pour le Commerce d'Automobile,
Benczur U13, Budapest VI (Hungary) ;

Associazione nazionale fra industrie automobilistiche (ANFIA),
Corso Galileo Ferraris 61, Torino (Italy) ;

Japan Automobile Manufacturers Association (JAMA),
Otemachi Building 6—1, Otemachi, 1—chome, Chiyoda-ku, Tokyo 100 (Japan) ;

Automobilimportørenes Förening,
Hauchsgt. 1, Oslo 1 (Norway) ;

Nederlandse Vereniging de Rijwiel- en Automobiel-Industrie (RAI),
Europaplein 2, Amsterdam 1010 (Netherlands) ;

The Society of Motor Manufacturers & Traders Ltd (SMMT),
Forbes House, Halkin Street, London SW1X 7DS (United Kingdom) ;

Sveriges Bilindustri- och Bilgrossistförening,
Industrihuset, Storgatan 19, S 114 85 Stockholm (Sweden) ;

Chambre Syndicale Suisse de l'Automobile et branches annexes,
18, Quai Ernest Ansermet, 1211 Genève 4 (Switzerland) ;

MOTOKOV,
Olsanska 1, 130 81 Praha 3 (Czechoslovakia) ;

V.O. AVTOEXPORT,
Volkhonka ul. 14, 119902 Moscow G—19 (USSR) ;

Biro Prozvodaja Motornih Vozila,
Bulevar Vojvode Misica 14, Beograd (Yugoslavia) ;

Polmo,
ul. Stalingradzka 23, 00-987 Warszawa (Poland) ;

Autotuojat r.y.
Annankatu, 31-33 d 59, 00100 Helsinki 10 (Finland).

Done at Brussels, 7 November 1977.

For the Commission

Raymond VOUEL

Member of the Commission