

Statement regarding the CMA's decision to close certain investigations into suspected charging of excessive and unfair prices for hand sanitiser products during the coronavirus (COVID-19) pandemic

Parties: The parties have not been named

Case reference: Case 50924

Case closed: 13 July 2020

Issue: Suspected charging of excessive and unfair prices for hand sanitiser products during the coronavirus (COVID-19) pandemic under Chapter II of the Competition Act 1998 (CA98)

Relevant provision: Chapter II of the CA98

Summary of closure decisions

On 18 June 2020, the CMA opened four investigations under Chapter II of the CA98 into suspected charging of excessive and unfair prices for hand sanitiser products during the coronavirus (Covid-19) pandemic under Chapter II of the CA98 by various parties.

The CMA decided on 13 July 2020 to close three investigations as it considers that the retailers' prices do not, or are unlikely to, infringe competition law. The fourth investigation is ongoing.

Decision to close one investigation as there are no grounds for action

The CMA has closed one of the investigations as it has concluded that there are no grounds for action with respect to the relevant party's pricing of hand sanitiser. This decision has been reached following the CMA's careful review of evidence it has gathered during the investigation which indicates that the price that the party charged for hand sanitiser was not excessive under competition law.

Decision to close two investigations in line with the CMA's Prioritisation Principles

The CMA has closed two of the investigations having had regard to the CMA's Prioritisation Principles^[1]. The CMA gathered evidence during the investigations from a range of sources including evidence of the retailers' wholesale costs and the volume of hand sanitiser that they have sold. Having carefully reviewed the evidence that it has gathered, the CMA considers that it is unlikely that the retailers' prices infringe competition law and that further investigation to reach a definitive view in these two cases would deliver limited, if any, consumer benefits.

The decision to close the two cases does not amount to a definitive statement or finding as to whether the respective parties to the investigations have infringed competition law, nor should any inference be made to that effect. The CMA's decision to close these cases does not prevent the CMA from opening an investigation in the future if it were to receive new evidence which changed the assessment.

^[1] For more information, please see the CMA's published guidance on its investigation procedures in Competition Act 1998 cases (CMA8), para 10.2-10.11, and Prioritisation principles for the CMA, April 2014 (CMA16).