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Draft Commission regulation on vertical restraints and its related guidelines - HOTREC* reply to the consultation

HOTREC and its national associations welcome the consultation process launched by the Commission on the current Commission block exemption regulation 2790/1999 “on the application of Article 81(3) of the Treaty to categories of vertical agreements and concerted practices” (OJ L 336 of 29.12.1999), and which is due to expire by 31 May 2010.

HOTREC is particularly interested in this Commission regulation, as it affects two types of agreements that are widely used in the hospitality industry:

- Franchising contracts ;
- Beer supply contracts ;

HOTREC and its national associations consider that, over the last years, both current Regulation 2790/1999 and its related guidelines on vertical restraints have delivered an optimal performance in practise for the hospitality industry. **HOTREC therefore considers that the existing Regulation and guidelines should not be fundamentally altered.**

Both the “*Draft Commission Regulation on the application of Article 81(3) of the Treaty to categories of vertical agreements and concerted practices*” and the “*Draft Commission Notice - Guidelines on Vertical Restraints*” submitted for comments by the Commission mainly propose to maintain the status quo in relation to the main types of vertical agreements used by the hospitality industry.

Therefore, **HOTREC welcome the two drafts issued by the Commission and would appreciate if the Commission could keep these two drafts unmodified.**

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* HOTREC represents the hotel, restaurant and café industry at European level. It counts 1.6 million businesses, with 92% of them being micro enterprises employing less than 10 people. The micro and small enterprises (having less than 50 employees) in the hospitality industry representing 99% of businesses make up some 62% of value added. The industry provides some 9 million jobs in the EU alone. HOTREC brings together 40 National Associations representing the interest of the industry in 25 different European countries.