<u>News story: Win in Ping golf clubs</u> <u>case sends clear online retail signal</u>

This landmark case sends an important signal that attempts by manufacturers to impose absolute bans on selling their products online are not permitted by law.

The Tribunal's judgment dismissed an appeal by the golf club manufacturer against the CMA's decision to fine it for breaching competition law and imposed a revised fine of £1.25 million.

In August 2017, the Competition and Markets Authority (CMA) found that Ping had <u>breached competition law</u> by preventing 2 UK retailers from selling its golf clubs on their websites.

The Tribunal said today it was of the "clear view" that "The potential impact of the ban on consumers and retailers is real and material. It significantly restricts consumers from accessing Ping golf club retailers outside their local area and from comparing prices and it significantly reduces the ability of, and incentives for, retailers to compete for business using the internet."

Taking various factors into account, the Tribunal lowered the CMA's original penalty by £200,000 to £1.25 million.

The CMA had accepted that Ping was pursuing a genuine commercial aim of promoting in-store custom fitting, but found that it could have achieved this through less restrictive means.

Following today's judgment, Ping must allow retailers to sell online, though it may require them to meet certain conditions before doing so.

Ann Pope, Senior Director for Antitrust Enforcement, said:

Today's judgment sends a clear message to companies that try to stop customers shopping online for their products – they could be breaking the law. This matters because it removes a barrier to customers shopping around for more affordable goods.

The internet is an increasingly important sales channel and retailers' ability to sell online, and reach as wide a customer base as possible, should not be unduly restricted by manufacturers.

Find out more about the CMA investigation on the <u>case page</u>.