

Turkish Competition Board Fines Booking.com 2.5 Million Lira

20 Feb 2017

The Turkish Competition Board ("**Board**") recently published a short-form decision concluding that Booking.com B.V. had breached Article 4 of Law on Protection of Competition Number 4054, by its contacts with partner accommodation facilities including price and quota parity, as well as most favored customer clauses ("**MFC Clauses**"). Accordingly, the Board imposed an administrative monetary fine of 2,543,992 TL.

The Board recognized MFC Clauses as violations for the first time in June 2016, imposing a 427,977 TL fine on major online platform Yemeksepeti ([more](#)). In the Yemeksepeti decision, the Board stated that MFC Clauses are effectively price protection mechanisms within supply contracts. Their overall effect is that the seller cannot offer a lower price on other platforms and this creates an exclusionist effect on the market.

Although the Yemeksepeti decision was based on abuse of a dominant position, the Board issued the Booking.com fine based on violation of a legislative provision prohibiting anti-competitive agreements (Article 4 of Competition Law Number 4054).

Despite differing basis for the administrative fines, the Board underlines the same competitive problems arising from MFC Clauses in both decisions.

Viewed collectively, the two decisions suggest the Board may initiate other investigations into contractual limitations, including price parity clauses and MFC Clauses.

The Board initiated its investigation into Booking.com in August 2015 ([more](#)). A long-form version of the Board's decision is expected in the near future, which will include further details about the Board's reasoning.

The full text of the Board's short-form decision is available at this [link](#) (only available in Turkish).

Related Practices

- [Antitrust and Competition](#)
- [Information Technologies](#)