

COMMISSION DECISION

of 4 July 1984

relating to a proceeding under Article 85 of the EEC Treaty

(IV/30.810 – Synthetic fibres)

(Only the Dutch, English, French, German and Italian texts are authentic)

(84/380/EEC)

THE COMMISSION OF THE EUROPEAN
COMMUNITIES,

Having regard to the Treaty establishing the European
Economic Community,

Having regard to Council Regulation No 17, of
6 February 1962, First Regulation implementing Articles
85 and 86 of the Treaty ⁽¹⁾, as last amended by the Act of
Accession of Greece, and in particular Articles 6 and 8
thereof,

Having regard to the notification pursuant to Article 4
of Regulation No 17, on 10 November 1982, of an
agreement signed by the major European synthetic-fibre
producers on 21 October 1982,

Having regard to the Commission decision of
9 November 1983 to initiate proceedings in this case,

Having regard to the summary of the notification ⁽²⁾
published pursuant to Article 19 ⁽³⁾ of Regulation
No 17,

Having given the undertakings concerned an opportunity
to make known their views in accordance with Article 19
⁽¹⁾ of Regulation No 17 and with Commission
Regulation No 99/63/EEC of 25 July 1963 on the
hearings provided for in Article 19 ⁽¹⁾ and ⁽²⁾ of Council
Regulation No 17 ⁽³⁾,

After consultation with the Advisory Committee on
Restrictive Practices and Dominant Positions,

Whereas:

I. THE FACTS

1. THE SIGNATORIES OF THE NOTIFIED
AGREEMENT

(1) The present signatories of the agreement of
21 October 1982 are:

- (1) Anicfibre SpA (Italy);
- (2) Bayer AG (Germany), acting also on behalf of
Bayer Antwerpen NV (Belgium);
- (3) Courtaulds plc (United Kingdom), acting also
on behalf of Courtaulds SA (France) and
Lirelle plc (Ireland);
- (4) Enka AG (Germany) and Enka BV
(Netherlands), acting also on behalf of British
Enkalon UK Ltd (United Kingdom);
- (5) Hoechst AG (Germany), acting also on behalf
of Hoechst Fibre Industries UK Ltd (United
Kingdom);
- (6) Imperial Chemical Industries plc (United
Kingdom), acting also on behalf of ICI Europa
Fibres GmbH (Germany);
- (7) Montefibre SpA (Italy), acting also on behalf
of Montefibre France SA (France), Fibra del
Sud SpA, SIPA, SINA, S. It. Poliestere
(Italy);
- (8) Rhône Poulenc SA (France), acting also on
behalf of Rhône Poulenc Textile SA (France)
and Deutsche Rhodiaceta AG (Germany);
and
- (9) SNIA Fibre SpA (Italy), acting also on behalf
of SNIA Ltd (Ireland) and Nysam SA
(France).

2. THE PRODUCTS COVERED BY THE
AGREEMENT

- (2) The products covered by the agreement are the
following synthetic textile fibres:
 - polyamide textile yarn,
 - polyamide carpet yarn,
 - polyester textile yarn,
 - polyamide staple,
 - polyester staple and
 - acrylic staple.

⁽¹⁾ OJ No 13, 21. 2. 1962, p. 204/62.

⁽²⁾ OJ No C 314, 19. 11. 1983, p. 3.

⁽³⁾ OJ No 127, 20. 8. 1963, p. 2268/63.

- (3) Currently installed machinery allows producers
considerable flexibility as to the capacity at which

it is operated, the characteristics of the products and the scope for switching from one product to another (e.g. from polyamide to polyester).

- (4) Cellulosic fibres (e.g. rayon and rayon staple fibre) and natural fibres (e.g. cotton and wool) are to some extent in competition with synthetic fibres, but in most cases these different types of fibre are used together.
- (5) The proportion of each fibre in the final product can vary depending on their relative prices. For example, if natural fibres are unavailable the proportion of cellulosic or synthetic fibres in the final product can be increased. This interchangeability has an influence on the price of the final product.

Synthetic fibres account for about 50% of the consumption of textile fibres in the Community.

- (6) There are a number of other producers besides the signatories operating on the European synthetic-fibres market. These include companies based in the Community (Du Pont de Nemours, Fabelta, Saint Gobain Industries, Owens Corning Fiberglass), in Austria (Chemiefaser Lenzing AG, Chemie Linz AG, Erste Österreichische Glanzstoff-Fabrik AG), in Switzerland (Viscosuisse, Verband der Schweizerischen Chemiefaser-Industrie) and in Spain (Empresa Nacional de Celulosas SA, Cyanenka) and Portugal (Companhia Industrial de Fibras Artificiais, Fisipe).

Imports of the products covered by the agreement coming from third countries (USA, Austria, Spain, Switzerland, etc.) have recently been running at about 9 to 10% of total deliveries in the Community and about 14 to 15% of deliveries by the signatories.

The shares of the Community market held by the signatories for each of the fibres have been as follows (as % of total deliveries):

| | 1981 | 1982 | 1983 |
|------------------------|------|------|------|
| Acrylic staple | 74,3 | 74,2 | 77,6 |
| Polyester staple | 60,4 | 55,8 | 56,7 |
| Polyamide staple | 75,1 | 73 | 73 |
| Polyamide carpet yarn | 62,4 | 54,7 | 54,6 |
| Polyamide textile yarn | 75 | 72,9 | 74,1 |
| Polyester yarn | 72 | 73,8 | 75,8 |

- (7) Some members of the agreement are also producers of polyamide for industrial uses and other synthetic fibres and of cellulosic fibres. These two

groups accounted in 1982 for 7,35% and 20% respectively of their sales.

At the time the agreement was signed, the signatories held about 70% of total synthetic-fibre capacity in Western Europe and about 85% of installed capacity in the EEC.

3. ORIGIN OF THE AGREEMENT AND STATE OF THE INDUSTRY

- (8) The parties to the agreement see the difficulties being experienced by the European synthetic-fibres industry as due to an imbalance between supply and demand. This imbalance stems partly from adverse market trends characterized by weak demand and increased import penetration and partly from the existence of increasing surplus capacity in the industry.
- (9) The polyester-staple sector had already run into these difficulties in 1972. Increased import penetration and the need to design much larger plants to reap economies of scale had contributed to a situation of overcapacity and low prices. The main producers of polyester staple notified to the Commission an agreement to coordinate investment and rationalize production in order to eliminate present and prevent future overcapacity. However, in the face of the Commission's opposition to the agreement, which would have affected the production and sales policies of those involved, the producers eventually withdrew the notification ⁽¹⁾.
- (10) From 1975 onwards the overcapacity in synthetic fibres became more and more unmanageable and began to jeopardize profitability. By 1977 plant was operating at an average of only 70% of capacity.

In 1978, with prices continuing to depress profitability and the installation of new capacity imminent, the producers concluded a new agreement covering all the products listed in paragraph 6 above.

- (11) The aims of the 1978 agreement were twofold: to bring supply and demand gradually back into balance by 1981 by means of an orderly reduction in capacity of approximately 13% and to restore a reasonable level of capacity utilization. The Commission again refused to exempt this agreement under Article 85 (3) because it too

⁽¹⁾ Eighth Report on Competition Policy, point 42.

contained unacceptable clauses providing for production and delivery quotas. Between 1979 and 1981 the parties made various changes to the original agreement, but without securing the Commission's formal approval ⁽¹⁾.

- (12) Meanwhile, in July 1977, the Commission had called upon Member State Governments to avoid aggravating the overcapacity problem by granting any form of State aid to the sector. The aid discipline introduced in 1977 is still in operation.
- (13) The 1978 agreement was provisionally implemented pending a Commission decision and the capacity-reduction target was in fact greatly exceeded: by the end of 1981, installed capacity had been cut by an average of 20% from 1977 levels.
- (14) Nevertheless, after a thorough reappraisal of the situation on both the European and the international markets, the same producers concluded that there was still no prospect of a significant upturn in demand between 1982 and 1985 and that any increase in capacity during this period would continue to be damaging to the industry.
- (15) For these reasons, and in order to create favourable conditions for long-term research and development to enable the industry to offer consumers improved products and face third-country competition, the producers agreed to carry out a further round of capacity reductions and, to that end, signed the agreement of 21 October 1982 which is the subject of this Decision.

That agreement was notified on 10 November 1982 and was subsequently amended on 9 March and 19 July 1983 in response to observations made by the Commission.

4. THE PRESENT CONTENT OF THE AGREEMENT

- (16) The size of the projected capacity reductions has been based on the following assumptions:
- capacity must be operated at at least 85% to be economic,
 - sales will stabilize at 1981 levels by 1986.

The signatories' sales of all the products covered by the agreement in 1981 totalled 1 373 000 tonnes. On the basis of a minimum capacity-utilization ratio of 85%, capacity still needs to be brought down to 1 640 000 tonnes. The agreement therefore calls for cuts totalling 354 000 tonnes in the signatories' combined production capacity for synthetic fibres by the end of 1985, namely 57 000 tonnes of polyamide textile yarn, 42 000 tonnes of polyamide carpet yarn, 61 500 tonnes of polyester yarn, 33 000 tonnes of polyamide staple, 71 500 tonnes of polyester staple and 89 000 tonnes of acrylic staple.

- (17) On the basis of this overall capacity reduction requirement, each signatory has drawn up its own detailed plan, taking as its starting point the capacity it was supposed to have by the end of the 1978 agreement, and allowing for any intervening transfers of capacity between signatories or between signatories and non-signatories.

The additional reductions which some firms made independently over and above their quotas under the 1978 agreement are thus allowed for in calculating the further reduction now required of them.

- (18) The other main provisions of the agreement are as follows:

- (a) The participating companies commit themselves to achieving their individually determined capacity targets by the dates they have announced.

They must lodge details of the capacities they intend to cut and of the implementation of the cuts with an independent trustee body. They will be subject to checks by independent experts. The obligation not to exceed the capacity to which they have committed themselves is not satisfied by selling or otherwise transferring capacity to third parties for use within Western Europe.

- (b) The participating companies undertake not to increase their capacities during the currency of the agreement, i.e. until the end of 1985.
- (c) The parties will endeavour, as far as possible, to secure the retraining and redeployment of any labour displaced in the process of restructuring their operations and undertake to observe their statutory and/or contractual obligations existing in this regard in their respective countries.

⁽¹⁾ *Twelfth Report on Competition Policy*, points 38 to 41.

- (d) The Commission will be kept informed of any decisions or recommendations arising from the agreement and of its results in both the economic and social fields.
- (e) Any non-signatory company established in the EEC or elsewhere in Western Europe can accede to the agreement on terms to be determined in each case.
- (f) A trustee body with powers to carry out on-the-spot inspections will periodically check on the accuracy of the information the parties have supplied concerning their capacity.
- (g) In the event of major changes in the situation (involving, for example, the behaviour of European non-signatories on the European market, imports from non-European sources or the collapse of export markets), the parties will consult together to find solutions to the problem.
- (h) In the event of transfers of activities or rights, the rights and obligations under the agreement will continue to vest in the parties benefiting from such transfers.

If a party purchases production capacity either from another party or from a non-signatory, its capacity will be adjusted appropriately.

A party wishing to sell or assign the use of some or all of its capacity to a non-signatory must endeavour to secure an undertaking from the purchaser to observe the principles of the agreement, except where the capacity is transferred outside Western Europe.

- (i) In the event of a party's non-compliance with its obligation to scrap or not to increase capacity, the party will be liable to pay damages of 2 000 ECU per tonne of excess annual capacity and a further sum of the same amount for each year of delay.

Violations of the agreement will be dealt with under an arbitration procedure.

5. CLAUSES DELETED FROM THE AGREEMENT

- (19) The notified draft of the agreement contained some clauses which have been deleted at the insistence of the Commission.

They include the following:

- A ban on investment leading to increases in capacity without the consent of all other parties.

This clause has been deleted; increases in signatories' capacity now come under the clause providing for consultations in the event of major changes.

- A clause providing that the Commission would use its good offices in the event of difficulties arising from implementation of the agreement. This clause has been deleted.
- A clause providing for the transmission of information on deliveries to the trustee body appointed by the IRSFC and a clause whereby the operation of plant at over 95% of the party's declared capacity would be taken as casting doubt on the correctness of the capacity declaration. These clauses would have made it possible to monitor output and deliveries and have been deleted.

The expiry of the agreement was also brought forward from 30 June 1986 to 31 December 1985.

6. IMPLEMENTATION OF THE AGREEMENT

- (20) The table below shows the amounts of capacity already closed or remaining to be closed under the agreement. It is seen that the bulk of the agreed reductions were already made in 1982 and 1983 for almost all the fibres except acrylic. For the latter, cuts in installed capacity of 15 000 tonnes in 1984 and 66 000 tonnes in 1985 are scheduled. A reduction of 17 000 tonnes also still has to be made in 1984 for polyester yarn. Anicfibre has announced that it has reached agreement with the trade unions to close its Ottana plant in Sardinia, which has a capacity of 15 000 tonnes of polyester yarn, in the middle of summer 1984 and that its Pisticci plant in southern Italy where it produces polyester yarn and acrylic staple will also be closed in the coming months.

Capacity reductions implemented or planned

(1 000 tonnes)

| | 1982 | 1983 | 1984 | 1985 | Total |
|------------------------|------|------|------|------|-------|
| Acrylic | 8 | — | 15 | 66 | 89 |
| Polyamide textile yarn | 37 | 32 | — | 2 | 57 |
| Polyamide staple | 14 | 19 | — | — | 33 |
| Polyamide carpet yarn | 21 | 21 | — | — | 42 |
| Polyester textile yarn | 50 | 11 | 17 | — | 61,5 |
| Polyester staple | 34,5 | 37 | — | — | 71,5 |

- (21) The table below shows the signatories' rates of utilization of installed capacity for each of the products between 1978 and 1983.

The implementation of the agreement has significantly raised capacity utilization in the past three years.

Capacity utilization (signatories)

| | 1978 | 1979 | 1980 | 1981 | 1982 | 1983 |
|------------------------|------|------|------|------|------|------|
| Acrylic staple | 61,6 | 61,4 | 59 | 67,8 | 65,7 | 73,4 |
| Polyester staple | 70 | 63 | 56,9 | 65,9 | 67,6 | 77,4 |
| Polyamide staple | 73,3 | 71,8 | 59,4 | 67,5 | 68,5 | 81,9 |
| Polyamide carpet yarn | 55 | 57,4 | 61 | 60 | 68,6 | 75 |
| Polyamide textile yarn | 86,8 | 86,2 | 77,9 | 75 | 65,7 | 84,1 |
| Polyester textile yarn | 73,6 | 70,9 | 60,7 | 68,4 | 79,3 | 78,1 |
| Total | 68,7 | 66,8 | 61,4 | 68 | 70 | 76,6 |

- (22) The parties have observed the agreement's clauses regarding adjustments to commitments following disposals or acquisitions of plant. On 31 May 1983, for example, Montefibre took over Monsanto's acrylic plants at Coleraine (Northern Ireland) and Lingen (Federal Republic of Germany). Later it sold the Lingen plant to Bayer after obtaining the approval of the Federal Cartel Office. On each occasion appropriate adjustments were made to the parties' reduction commitments, without changing the overall reduction target which remains 18% of the capacity scheduled to exist at the end of the 1978 agreement.

76,6%, quite a long way short of the 85% aimed at in the agreement, so that it cannot be said that supply has been cut more than intended.

The presence of other producers who are not members of the agreement and of importers (holding a combined 30% of the market) and the level of capacity utilization among the signatories would suggest that supply difficulties are unlikely in the foreseeable future.

As far as prices are concerned, price movements in recent years have shown increases only for some products but reductions in price for some others. The latest trends do not point to an abnormally sharp rise in prices.

II. OBSERVATIONS OF THIRD PARTIES

- (23) On 19 November 1983, a summary of the agreement was published in the *Official Journal of the European Communities* to give interested third parties an opportunity to comment, as required by Article 19 (3) of Regulation No 17. In reply to the notice, several associations of synthetic-fibre user industries made representations to the Commission in which they argued that:

- the capacity reduction planned was excessive since the market had improved,
- coming at a time when activity was picking up, the capacity reductions would lead to supply difficulties,
- in these circumstances it would be easy for producers to impose price increases.

- (24) Although it is true that the market improved in 1983, capacity utilization still only averaged

Prices (1974 = 100)

(DM)

| Year | Polyester staple | Acrylic | Polyester textile yarn | Polyamide yarn |
|------|------------------|---------|------------------------|----------------|
| 1974 | 100 | 100 | 100 | 100 |
| 1980 | 91 | 92 | 70 | 106 |
| 1981 | 93 | 98 | 73 | 105 |
| 1982 | 98 | 110 | 80 | 99 |
| 1983 | 93 | 104 | 74 | 100 |

III. LEGAL ASSESSMENT

A. ARTICLE 85 (1)

- (25) The notified agreement is an agreement between undertakings which has the object and effect of restricting competition within the common market.

- (26) By committing themselves to reduce capacity, the parties accept restrictions on the scale of their production facilities and hence on their investment. This commitment involves an obligation on each party to draw up and implement a capacity reduction plan showing, by product and plant, the size and timetable of the cuts to be made by the party.
- The parties are, moreover, held to their obligations until the expiry of agreement, even if, according to their capacity-reduction plans, they will have completed their reductions before that date.
- (27) The notified agreement is liable to affect trade between Member States. It involves undertakings based in different Member States which operate, mainly through subsidiaries or associated companies, throughout the common market. The products in question are traded between Member States and between Member States and third countries.
- B. ARTICLE 85 (3)
- (28) 1. The question whether the agreement meets the conditions set out in Article 85 (3) must be considered against the background of the overcapacity that existed in the synthetic-fibres industry in 1982 and that is still running at a high level (around 30%) despite some reduction in capacity in the past few years.
- The overcapacity is mainly a result of rapid technological advances (introduction of the rapid spinning process, building of larger production units to take advantage of scale economies) and a demand trend which, though not actually falling, has failed to rise as much as expected.
- (29) 2. (a) The purpose of the agreement is to reduce capacity so that the capacity that remains can be operated at a more economic level.
- (30) In a free market economy it ought to be principally a matter for the individual undertaking to judge the point at which overcapacity becomes economically unsustainable and to take the necessary steps to reduce it.
- (31) In the present case, however, market forces by themselves had failed to achieve the capacity reductions necessary to re-establish and maintain in the longer term an effective competitive structure within the common market.
- The producers concerned therefore agreed to organize for a limited period and collectively, the needed structural adjustment.
- (32) As major producers, many of them would have been unwilling to go ahead with capacity cuts on their own without the certain knowledge that their competitors would follow suit and that no new capacity would be installed for the period of the agreement.
- (33) The fact that some of the parties, particularly the more diversified ones, may, for their own peculiar economic, technical or social reasons, have cut back their capacity further than others does not diminish the effectiveness of these collective arrangements in securing the capacity reductions required.
- (34) By reducing its capacity, the industry will shed the financial burden of keeping underutilized excess capacity open without incurring any loss of output, since the remaining capacity can be operated more intensively. The capacity reductions also provide the undertakings with an opportunity to develop their particular strengths, since each has selected for closure those of its plants which are less profitable or competitive because of their obsolescence or small size.
- (35) By concentrating on the production of particular products and giving up the production of others, the signatories will tend to become more specialized. Specialization on products for which they have the best plant and more advanced technology will help the parties to achieve optimum plant size and improve their technical efficiency. It will also help them to develop better-quality products more in tune with the user's requirements. The elimination of the capital and labour costs of unprofitable activities will make resources available for the capacity that remains in production.
- (36) The eventual result should be to raise the profitability and restore the competitiveness of each party. It is worth

- noting that the total losses of the European synthetic-fibres industry are reported to have been down to DM 500 000 000 in 1983 from an estimated DM 1 200 000 000 in 1981.
- (37) The coordination of plant closures will also make it easier to cushion the social effects of the restructuring by making suitable arrangements for the retraining and redeployment of workers made redundant.
- (38) It can be concluded then that the agreement contributes to improving production and promoting technical and economic progress.
- (39) (b) Article 85 (3) also requires that an agreement afford consumers a fair share of the resulting benefit. In the present case, consumers stand to gain from the improvement in production, in that the industry which eventually emerges will be healthier and more competitive and able to offer them better products thanks to greater specialization, whilst in the short term they will continue to enjoy the benefits of competition between the parties. The agreement also ensures that the shake-out of capacity will eliminate the non-viable and obsolete plant that could only have survived at the expense of the profitable plant through external subsidies or loss financing within a group, and will leave the competitive plants and businesses in operation.
- (40) The number of producers remaining for each product (signatories and non-signatories) is big enough to leave users a choice of supplier and security of supply and to preclude the danger of monopolies developing on national markets.
- (41) Textile manufacturer users of the products covered by the agreement have expressed fears about future price levels.
- It is true that a capacity reduction agreement may lead to a short-term increase in prices to the user. However, in the present case this tendency may be expected to be limited by the special features of the synthetic-fibres market where each signatory faces considerable pressure in his pricing from synthetic-fibre users, who because they are now operating on a very competitive market and have difficulties of their own resist price increases which they regard as unjustified. Users could also switch to other sources of supply in Europe or elsewhere if the signatories tried to charge exorbitant prices.
- (42) (c) Another important consideration for the application of Article 85 (3) is whether or not all the planned arrangements for effecting the capacity cutbacks are indispensable to that end.
- (43) The agreement is concerned solely with reducing excess capacity and is of limited duration. It does not interfere with the parties' freedom to determine their output or deliveries. Clauses which might have done so have been deleted.
- (44) The agreement will expire on 31 December 1985. All parties continue to be bound by the agreement up to the expiry date, even if they complete their capacity cuts in advance of that date. The agreement also continues in force until the expiry date for all the products it covers, even if the capacity reductions for some products are completed beforehand.

Number of producers of each product

| | Signatories | | In Europe |
|------------------------|------------------|-----------------|-----------|
| | Before agreement | After agreement | |
| Acrylic staple | 7 | 6 | 10 |
| Polyester staple | 8 | 6 | 12 |
| Polyamide staple | 6 | 5 | 11 |
| Polyamide carpet yarn | 6 | 4 | 11 |
| Polyamide textile yarn | 7 | 5 | 21 |
| Polyester textile yarn | 8 | 6 | 19 |

(45)

The agreement's success depends on each party strictly observing the closure timetable it has announced. Hence, it is

essential that pecuniary sanctions may be imposed if a party fails to discharge this basic obligation.

coordinated capacity reductions involve but one element of the undertakings' competitive strategies.

(46) The adjustment of parties' obligations in the event of transfers of capacity between them and the extension of the obligations to non-signatories to which capacity is sold are necessary to ensure that all capacity set down for scrapping is actually scrapped.

(47) Finally, the restrictions on the scale of the parties' production facilities are also indispensable for the attainment of the objectives in view.

(48) (d) For Article 85 (3) to be applicable, the agreement must further not afford the undertakings the possibility of eliminating competition for a substantial part of the products in question.

(49) In determining whether this condition is met, account must be taken of the features of the market, the duration of the agreement and the provisions contained in it.

(50) The signatories are not the only suppliers of the products covered by the agreement on the Community market. A number of other producers, including subsidiaries of North American companies and American producers importing direct from the United States, also operate on the market and are in strong competition with the signatories.

(51) The products covered by the agreement are in competition with natural fibres (cotton and wool) and cellulose. Although normally used together, these fibres are all to some extent interchangeable and therefore competing materials, the degree of competition between them depending on their relative prices.

(52) The limited duration of the agreement, which is due to expire on 31 December 1985, obliges the signatories to take account in the dispositions they make while it is in force of the imminent disappearance of the restrictions at the scheduled date. Moreover, there is no provision in the agreement for any coordination of the signatories' commercial behaviour, and the

C. ARTICLES 6 AND 8 OF REGULATION No 17

(53) The parties signed the agreement on 21 October 1982 and notified it on 10 November 1982. Under Article 6 of Regulation No 17, the Decision applying Article 85 (3) of the Treaty can therefore take effect on 10 November 1982.

(54) As the agreement expires on 31 December 1985, it is appropriate to determine that date as the date until which the Decision shall remain in effect, in accordance with Article 8 (1) of Regulation No 17.

(55) The agreement must not be allowed to provide an opportunity for exchanging information which could give rise to concerted practices incompatible with Article 85. Therefore, it is necessary to require the signatories to refrain from communicating details of their individual output and deliveries of synthetic fibres to one another either directly or through the trustee body or a third party,

HAS ADOPTED THIS DECISION:

Article 1

Pursuant to Article 85 (3) of the Treaty establishing the European Economic Community, the provisions of Article 85 (1) of the Treaty are hereby declared inapplicable, with effect from 10 November 1982 for the period to 31 December 1985, to the agreement signed by the synthetic-fibre producers listed in Article 3 which was notified to the Commission on 10 November 1982.

Article 2

This Decision is subject to the condition that the signatories shall refrain from communicating data on their individual output and deliveries of synthetic fibres to one another either directly or through a trustee body or a third party.

Article 3

This Decision is addressed to the following undertakings:

1. Imperial Chemical Industries plc,
Hookstone Road,
UK-Harrogate HG2 8QN;
2. Courtaulds plc,
18 Hanover Square,
UK-London W1A 2BB;
3. Rhône-Poulenc SA,
25, quai Paul-Doumer,
F-92408 Courbevoie;
4. Enka BV,
Velperweg 76,
NL-Arnhem;
5. Montefibre SpA,
Via Pola, 14,
I-20124 Milano;
6. Anicfibre SpA,
I-San Donato Milanese;
7. SNIA Fibre,
Via Borgonuovo, 14,
I-20121 Milano;
8. Enka AG,
Postfach 10 01 49,
D-5600 Wuppertal 7;
9. Bayer AG,
D-5090 Leverkusen-Bayerwerk;
10. Hoechst AG,
Postfach 80 03 20,
D-6230 Frankfurt/Main 80.

Done at Brussels, 4 July 1984.

For the Commission
Frans ANDRIESEN
Member of the Commission