

German Brewers Fined \$145M for Price-Fixing



In this Sept. 23, 2010 file picture a waiter pulls a beer at the Oktoberfest beer festival in Munich, Germany. German antitrust authorities have fined a group of beer brewers a total of 106.5 million euros (US \$145 million) for illegal price-setting agreements. The Federal Cartel Office said Monday Jan. 13, 2014 that the companies involved fixed price increases for draft and bottled beer between 2006 and 2008. The office says the investigation was launched on the basis of information from the German branch of Anheuser-Busch Inbev SA, which wasn't fined as a result of its cooperation. It says it then reached a settlement with the five breweries that were fined, a move that reduced their punishment. The office says investigations are ongoing against another six brewers, which it didn't identify. (AP Photo/dpa, Andreas Gebers)

BERLIN (AP) — German antitrust authorities have fined a group of beer brewers a total of 106.5 million euros (\$145 million) for illegal price-fixing between 2006 and 2008.

The Federal Cartel Office said Monday that the companies fixed price increases for draft and bottled beer. Five firms were fined — Bitburger, Krombacher, Veltins, Warsteiner and Barre — along with seven people deemed to be "personally responsible."

Cartel office chief Andreas Mundt said the breweries involved, some of Germany's most prominent, agreed to raise draft beer prices in 2006 and again in 2008 by between 5 and 7 euros (\$6.8-\$9.5) per 100 liters (26.4 gallons). In 2008, they agreed to hike the price of a 20-bottle case of beer by 1 euro.

The investigation was launched on the basis of information from the German branch of Anheuser-Busch Inbev SA, which wasn't fined as a result of its cooperation, the office said.

Authorities then reached a settlement with the five breweries that were fined, a move that reduced their punishment. Investigations are ongoing against another six brewers, which the cartel office didn't identify, as well as the regional breweries' association in North Rhine-Westphalia, Germany's most populous state.

Mundt said in a statement that the price-fixing was based "largely on purely

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personal and telephone contacts."

Germany boasts some 1,300 breweries and 5,000 brands of beer. Beer is a national institution, and German brewers are bound by the so-called "purity law" dating back nearly 500 years that allows nothing but water, barley malt, hops and yeast for brewing.

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