

## Diploma in Law (Malta): Intake October 2021

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| <b>Assessment Task:</b> Written assignment based on chosen questions  |  |
| <b>Module:</b> <i>Award in Principles of Competition Law</i>  | <b>Tuition Centre:</b> 21 Academy<br><b>Licence Number:</b> 2018-017 |
| <b>Level:</b> Award MQF Level 5   | <b>Student Name:</b>   |
| <b>Date:</b>  | <b>ID Number:</b> <same no. submitted in student profile>            |
| <b>Assignment Deadline:</b> 22 July 2022  |  |
| <p><b>Task</b><br/>The purpose of this unit is to develop an understanding of a particular topic you will write about which forms part of Competition Law.</p> <p><b>Note</b><br/>This assessment provides students with an opportunity to put into practice the relevant provisions of the law in relation to the topic they choose to write about forming part of Company Law.</p> <p><b>Note</b><br/><i>You should plan to spend approximately 20 hours researching the assignment question, preparing for and writing the assignment for assessment. The nominal word count for the assignment is 1,700 words unless indicated otherwise in the question.</i></p>   |  |
| <p><b>Choose and answer 1 question from the following:</b></p> <p><b>Question 1:</b></p> <p>Sportex Inc. is a supplier of a well-known brand for athletic wear in the US and has a global share of 25%. Sportex wishes to expand its distribution network into the EU with the following objectives, which it hopes will promote its brand:</p> <ol style="list-style-type: none"> <li>a. Distribution may only be made by “authorised” distributors based on their quality, and they are expected to invest in Sportex brand.</li> <li>b. “Authorised” distributors’ use of the Internet should be controlled.</li> <li>c. Sportex wishes to reward distributors that respect its recommended price schedule.</li> </ol> <p>Assuming that the market must be defined as athletic wear in general (and consequently that each of the distributors’ market share is below 30 %), please advise Sportex as to whether the distribution agreements infringe Article 101 TFEU.</p> <p><b>Question 2:</b></p> <p>E-Nanny Limited (“E-Nanny”) is a Maltese IT successful start-up, that develops parental control software solutions. E-Nanny software/app assists parents to have greater visibility into all of their kids’ online activity, block harmful content and prevent screentime addiction. It is currently available in five languages, and it is compatible with Windows, Android, iOS, and Kindle.</p> <p>E-Nanny is alleging that since the introduction of Apple’s own parental control app ‘Screen-Time’, Apple has prevented E-Nanny from making updates or define its app communication strategy. More recently, Apple has notified E-Nanny that it would be delisting E-Nanny from the Apple App Store on the grounds that its technology is incompatible with Apple’s App Store Review Guidelines.</p> <p>E-Nanny would like to know whether it can pursue a case against Apple in terms of Article 102 TFEU. Please advise.</p> |  |

**Question 3:**

Tires For All is a producer of several kinds of tyres for cars, trucks and even airplanes. Sabo is an airplane manufacturer. Volver is a manufacturer of family cars. Sabo and Volver decide to jointly take over Tires For All.

Pursuant to a Shareholders' Agreement:

- a. Sabo and Volver will acquire respectively 60% and 40% of the shares and the voting rights in the joint venture Tires For All. (the "JV")
- b. Volver will have additional rights which will allow it to veto decisions on the strategic commercial behaviour of the JV.
- c. Both Sabo and Volver will have the right to appoint senior management of the JV. A catalogue of decisions, among which approvals of the annual budget and the business plan, has to be approved by both Sabo and Volver in the shareholders meeting.
- d. Sabo and Volver will transfer the necessary intellectual property rights and know-how to the JV.
- e. The JV will continue to be equipped with all necessary assets and resources.
- f. Sabo will buy 25% of the airplane tyres sold by the JV. Volver will buy 15% of the car tyres sold by the JV.

Assuming that this transaction has a 'Community dimension', is this JV a fully functioning entity notifiable under the EU Merger Regulation? Please advise.

**Pass Mark - 50%**

**Total Assignment Weighting - 80%**

**By submitting I confirm that this assessment is my own work**

**Mark:**

**Signature:** <main assessor>

**Date**

**Signature:** <quality assurance>