€157 million in EU fines

Gucci, Chloé and Loewe and the legal risks of resale price maintenance.

Selected legal insight for the sporting goods and consumer goods sector.

DR. JOCHEN M. SCHAEFER · COMPETITION / RESALE PRICING

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Gucci, Chloé and Loewe hit with €157 million in EU fines for illegal resale price maintenance By Dr. Jochen M. Schaefer 22 October 2025 Fierce, sometimes cutthroat retail price competition is everywhere in Europe. Sale, sale, sale! The commercial messages hit us every day, and – much as Ivan Pavlov once trained dogs to salivate – European consumers have been trained to spot the best bargain (the lowest price) for whatever consumer product they want to purchase. Manufacturers and distributors of branded goods are seldom happy about this state of affairs, and therefore make intense efforts to control conditions and environments for the sale of their products. There are legitimate tools, such as selective distribution contracts with wholesale and retail customers. Still, there are also measures and distribution policies which are illegal under EU and national competition laws, such as resale price maintenance (RPM). It is certainly legitimate to ask whether the "consumer comes first" doctrine of the European and national competition authorities in this area is right, or whether it would be better to adopt, say, the American model of permitting brands to establish a minimum advertised price (MAP), where the manufacturer sets the lowest price that retailers may advertise a product for – especially online or in print. Retailers may still sell below that price, but they may not publicly promote a product at less than the MAP. Such a policy would protect brand value and prevent price wars. However, it is pointless to consider fairer and more balanced legal regulations in the EU / European Economic Area as long as the EU's current strict antitrust laws are in force. Whenever brands attempt to apply RPM, competition authorities respond with harsh penalties. The EU Commission has already hit the fashion and luxury sector several times. More than ten years ago, in 2014, it was Pierre Cardin, via its licensee YSLP, which had to pay €0.7 million for its attempts to limit cross-border activities. Four years later, in 2018, Guess was caught infringing the EU's stringent competition laws, by, among other things, attempting to stop retail customers from advertising and selling cross-border. Most recently, the three fashion and luxury brands have had to pay a total of €157 million in penalties: Gucci (Kering Group) was fined €119.7 million, Chloé (Richmont) €19.7 million

and Loewe (LVMH) €18 million. In fact, the EU Commission originally intended to fine Gucci as much as €239.4 million, but it reduced this by 50 percent to reward the brand's "good cooperation" with EU authorities. All these fines, of course, are after-tax and definitely not tax deductible. The facts The three above-mentioned companies are headquartered in Italy, France and Spain and belong to the premier league of international luxury consumer goods brands that market and sell apparel, leather goods and accessories. What the Commission discovered in the course of its investigations was that Gucci from April 2015 to April 2023, Loewe from December 2015 to April 2023, and Chloe from December 2019 to April 2023 had restricted the ability of their online and stationary retailers to determine their own retail prices. In other words, they had engaged in illegal RPM. It's no coincidence that all three companies put an end to such practices in April 2023, as it was during that month that the Commission conducted unannounced inspections (perhaps the term "raids" would be a better fit) on the companies' premises: quite the uncomfortable experience, no doubt. These companies had required their B2B customers not to deviate from recommended retail prices and prescribed both maximum discount rates and specific sales periods. To some extent they even went so far as to interdict discounts to end consumers, to prevent differentials between the brands' own prices through direct sales channels and their retail customers' prices. The EU Commission's press release of Oct. 14 illustrates this with the following graph:

About the author Dr. Jochen M. Schaefer (www.sjlegalonline.de) is a German attorney practicing around Munich. For several years, he has been legal counsel to the World Federation of the Sporting Goods Industry (WFSGI) and the European Federation of the Sporting Goods Industry (FESI). He also chairs the WFSGI’s Legal Committee and co-chairs FESI’s Digital Committee. Among his other clients are many well-known brands within and beyond the bicycle / sporting goods sector. He specializes in advising on operational and strategic activities, such as national and international distribution, intellectual property (IP) and risk management, and in the drafting and negotiation of comprehensive contracts, taking a kind of cradle-to-grave approach. Address any questions about this article (or in general) to sj@sjlegal.de or call +49 151 1640 7932.