## Question for written answer E-002403/2021 to the Commission

Rule 138 Eva Kaili (S&D)

Subject: Unfair termination of commercial relationship with Greek retailers

Nike European Operations Netherlands B.V (NEON) unilaterally decided to terminate its commercial relationship with more than 90 retail partners in Greece. The termination will take effect on 31 May 2022, giving retailers a notice period of 17 months<sup>1</sup>.

Since the beginning of the notice period, retailers have been facing problems as a result of limited product mixes and unjustified rejections of orders. NEON has informed retailers that any future orders for the winter 2021 season will be accepted only if outstanding debts have been paid. To comply with NEON's past distribution policy, retailers have had to extend their retail network throughout Greece, and invest significantly in infrastructure, equipment and minimum stock requirements.

The termination was decided during the COVID-19 pandemic, when successive lockdowns resulted in unprecedented losses for the retail sector.

- 1. What are the perceived effects on competition given retailers' economic dependence on NEON to effectively compete in their market and the time constraints in sourcing alternatives?
- 2. Should mitigated measures be considered to offset NEON's terms of termination, bearing in mind the financial fallout of the COVID-19 pandemic and the risk of closure for affected retailers, the majority of which are micro-enterprises and SMEs?

https://www.insider.gr/epiheiriseis/164669/tis-methodoys-tis-nike-katiggeilan-stin-eyropi-38-ellinikes-epiheiriseis