



Resale Prices Act 1976

1976 CHAPTER 53

PART II

INDIVIDUAL MINIMUM RESALE PRICE MAINTENANCE

Prohibition of individual resale price maintenance

9 Minimum resale prices maintained by contract or agreement

- (1) Any term or condition—
- (a) of a contract for the sale of goods by a supplier to a dealer, or
 - (b) of any agreement between a supplier and a dealer relating to such a sale,
- is void in so far as it purports to establish or provide for the establishment of minimum prices to be charged on the resale of the goods in the United Kingdom.
- (2) It is unlawful for a supplier of goods (or for an association or person acting on behalf of such suppliers)—
- (a) to include in a contract for sale or agreement relating to the sale of goods a term or condition which is void by virtue of this section ;
 - (b) to require, as a condition of supplying goods to a dealer, the inclusion in a contract or agreement of any such term or condition, or the giving of any undertaking to the like effect;
 - (c) to notify to dealers, or otherwise publish on or in relation to any goods, a price stated or calculated to be understood as the minimum price which may be charged on the resale of the goods in the United Kingdom.

Paragraph (a) does not affect the enforceability of a contract of sale or other agreement, except in respect of the term or condition which is void by virtue of this section.

Paragraph (c) is not to be construed as precluding a supplier (or an association or person acting on behalf of a supplier) from notifying to dealers or otherwise publishing prices recommended as appropriate for the resale of goods supplied or to be supplied by the supplier.

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10 Patented articles under s. 9

- (1) Section 9 above applies to patented articles (including articles made by a patented process) as it applies to other goods.
- (2) Notice of any term or condition which is void by virtue of section 9, or which would be so void if included in a contract of sale or agreement relating to the sale of any such article, is of no effect for the purpose of limiting the right of a dealer to dispose of that article without infringement of the patent.
- (3) Nothing in section 9 and in this section affects the validity, as between the parties and their successors, of any term or condition—
 - (a) of a licence granted by the proprietor of a patent or by a licensee under any such licence; or
 - (b) of any assignment of a patent,so far as it regulates the price at which articles produced or processed by the licensee or assignee may be sold by him.
- (4) References in this section to patented articles include references to—
 - (a) articles protected by the registration of a design, and
 - (b) articles protected by plant breeders' rights or a protective direction under Schedule 1 to the Plant Varieties and Seeds Act 1964,and references in this section to a patent shall be construed accordingly.

11 Minimum resale prices maintained by other means

- (1) It is unlawful for a supplier to withhold supplies of any goods from a dealer seeking to obtain them for resale in the United Kingdom on the ground that the dealer—
 - (a) has sold in the United Kingdom at a price below the resale price goods obtained, either directly or indirectly, from that supplier, or has supplied such goods, either directly or indirectly, to a third party who had done so; or
 - (b) is likely, if the goods are supplied to him, to sell them in the United Kingdom at a price below that price, or supply them, either directly or indirectly, to a third party who would be likely to do so.
- (2) In this section " the resale price ", in relation to a sale of any description, means—
 - (a) any price notified to the dealer or otherwise published by or on behalf of a supplier of the goods in question (whether lawfully or not) as the price or minimum price which is to be charged on or is recommended as appropriate for a sale of that description; or
 - (b) any price prescribed or purporting to be prescribed for that purpose by a contract or agreement between the dealer and any such supplier.
- (3) Where under this section it would be unlawful for a supplier to withhold supplies of goods it is also unlawful for him to cause or procure any other supplier to do so.

12 Meaning of " withhold supplies " in relation to Part II

- (1) For the purposes of this Part of this Act a supplier of goods shall be treated as withholding supplies of goods from a dealer—
 - (a) if he refuses or fails to supply those goods to the order of the dealer;

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- (b) if he refuses to supply those goods to the dealer except at prices, or on terms or conditions as to credit, discount or other matters, which are significantly less favourable than those at or on which he normally supplies those goods to other dealers carrying on business in similar circumstances ; or
 - (c) if, although he contracts to supply the goods to the dealer, he treats him in a manner significantly less favourable than that in which he normally treats other such dealers in respect of times or methods of delivery or other matters arising in the execution of the contract.
- (2) For the purposes of this Part a supplier shall not be treated as withholding supplies of goods on any such ground as is mentioned in section 11(1) above if, in addition to that ground, he has other grounds which, standing alone, would have led him to withhold those supplies.
- (3) If in proceedings brought against a supplier of goods in respect of a contravention of section 11 it is proved that supplies of goods were withheld by the supplier from a dealer, and it is further proved—
- (a) that down to the time when supplies were so withheld the supplier was doing business with the dealer or was supplying goods of the same description to other dealers carrying on business in similar circumstances, and
 - (b) that the dealer, to the knowledge of the supplier, had within the previous six months acted as described in section 11(1)(a), or had indicated his intention to act as described in paragraph (b) of that subsection in relation to the goods in question,

it shall be presumed, unless the contrary is proved, that the supplies were withheld on the ground that the dealer had so acted or was likely so to act.

This subsection does not apply where the proof that supplies , were withheld consists only of evidence of requirements imposed by the supplier in respect of the time at which or the form in which payment was to be made for goods supplied or to be supplied.

13 Exception for measures against loss leaders

- (1) It is not unlawful by virtue of section 11 above for a supplier to withhold supplies of any goods from a dealer, or to cause or procure another supplier to do so, if he has reasonable cause to believe that within the previous twelve months the dealer or any other dealer to whom the dealer supplies goods has been using as loss leaders any goods of the same or a similar description, whether obtained from that supplier or not.
- (2) The reference in this section to the use of goods as loss leaders is a reference to a resale of the goods effected by the dealer, not for the purpose of making a profit on the sale of those goods, but for the purpose of attracting to the establishment at which the goods are sold customers likely to purchase other goods or otherwise for the purpose of advertising the business of the dealer.
- (3) A sale of goods shall not be treated for the purposes of this section as the use of those goods as loss leaders—
- (a) where the goods are sold by the dealer at a genuine seasonal or clearance sale, not having been acquired by the dealer for the purpose of being resold as mentioned in this section ; or
 - (b) where the goods are resold as mentioned in this section with the consent of the manufacturer of the goods or, in the case of goods made to the design

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of a supplier or to the order and bearing the trade mark of a supplier, of that supplier.