



International Distribution Institute

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DIFFERENT TYPES OF RESELLERS

The «normal » or « common » resellers free to resell the products without any limitation or restriction imposed on them by the supplier

The « distributors » linked to the supplier through an agreement which imposes on them certain limitations or restrictions for reselling the products which could be considered to cause anticompetitive effect



DIFFERENT TYPES OF DISTRIBUTORS

- The selected distributors : resellers selected on the basis of criteria linked to the nature of the products and to the brand image of the supplier
- The exclusive distributors : resellers selected in a territory and who benefit from an exclusivity to be supplied by the supplier for reselling the products in this territory and under the trade mark of the supplier
- The franchisees : resellers who benefit from a franchisor's know-how and brand image for a successful business/activity

COEXISTENCE BETWEEN RESELLERS

A/ In a physical market :

- Regarding exclusive distribution : the supplier cannot supply in the territory granted to an exclusive distributor to any other reseller including selected distributors and franchisees
- Regarding selective distribution : the supplier cannot supply in the territory where the selective distribution network is set up to any reseller who is non selected because he does not comply with the requirements relating to the criteria established by the supplier
- Regarding franchising : the franchisor cannot supply to another reseller except the franchisee but only if it is required by the franchise agreement through a territorial exclusivity, or through the satisfaction of certain criteria, or for the achievement of a successful business activity that results from the know-how.

COEXISTENCE BETWEEN RESELLERS

B/ In a digital market

The rules should be adapted regarding free competition and particularly cross border selling. So we will focus on two main questions :

- Could and if yes to what extent a supplier prevent a selected distributor or an exclusive distributor or a franchisee from selling freely through its website or a marketplace ?
- Could a supplier or a reseller block cross border sales by means such as « geoblocking » ?