Multi-brand distribution and access to repairer networks under Motor Vehicle Block Exemption Regulation 1400/2002: the experience of the BMW and General Motors cases (1)

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1. Introduction

The new Commission Regulation 1400/2002 block exempting distribution and servicing agreements in the motor vehicle sector (the 'Regulation') (3) has given rise to a number of novel questions. In recently concluded cases concerning BMW and General Motors ('GM'), the European Commission clarified several important aspects of the two most frequently debated issues under the new Regulation, namely (i) the conditions for selling and servicing cars of more than one brand, and (ii) the conditions for repairers to become members of the authorised networks.

The BMW and GM cases originated in complaints by dealers' associations in a number of Member States. Following the entry into force of Regulation 1400/2002, most car manufacturers had concluded new contracts containing a large number of increasingly detailed and investment-intensive rules and standards on the set-up of dealer and repairer outlets including equipment, corporate identity and operational infrastructure. The complainants alleged that the new BMW and Opel (4) dealer and repairer agreements did not comply with the new rules for block exemption by Regulation 1400/2002, and raised competition concerns within the meaning of Article 81(1). They argued, inter alia, that aspects of the selective distribution systems set up by these agreements were unduly restrictive with regard to multi-brand distribution and servicing, and that they created artificial barriers to entry to the authorised repairer networks of BMW and GM.

Faced with a risk of Article 81 being applied against them, both BMW and GM expressed their will to remain within the safe harbour offered by Regulation 1400/2002. With respect to multi-branding, the Regulation provides that dealers and repairers may not be unduly restricted in their choice to sell and / or service cars of other brands (5). With regard to repair and maintenance and the distribution of spare parts, the Regulation makes the block exemption of servicing agreements *inter alia* conditional upon the manufacturer (a) allowing its authorised repairers to provide after-sales services only (without having to also distribute new cars) (6), and (b) only imposing selection criteria which are necessary with a view to providing high quality after-sales services (this assumes the likely scenario that the market share of the relevant authorised repairer network exceeds 30%) (7). After comprehensive discussions held by the Commission with all parties, BMW and GM implemented a range of clarifications and adjustments to their distribution and servicing agreements so as to ensure compliance with Regulation 1400/2002. Whilst the remedies also address a variety of other issues, the present article focuses on those aspects which concern the interpretation and the application of Regulation 1400/2002 to restraints affecting multi-brand distribution and servicing, and access to authorised repairer networks. It should also be mentioned that a number of arguments raised by the complainants were not considered to be founded under EC competition law (8). The respective dealer associations ultimately decided to withdraw their complaints in light of the remedies offered by the car manufacturers concerned, which enabled the Competition DG to close its proceedings in March 2006.

(1) The content of this article does not necessarily reflect the official position of the European Communities. Responsibility for the information and views expressed lies entirely with the authors.

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(3) Commission Regulation (EC) No 1400/2002 of 31 July 2002 on the application of Article 81(3) of the Treaty to categories of vertical agreements and concerted practices in the motor vehicle sector, OJ L 203, 1.8.2002, p. 30. The Regulation entered into force on 1 October 2002, with a transition period for existing contracts until 30 September 2003 (see Articles 12(1) and 10). Regulation 1400/2002 replaced the previous block exemption Regulation 1475/95 for the car sector, which in turn had replaced the sector specific block exemption Regulation 123/85.

(4) Owned by GM.

(5) Articles 5(1)(a) and 1(1)(b) as well as Article 5(1)(b) of Regulation 1400/2002, see in more detail section 2 below.

(6) Cf. Article 4(1)(g) of Regulation 1400/2002.

(7) Article 3(1) of Regulation 1400/2002 (in connection with Article 1(1)(h)); see also e.g. Competition DG, Explanatory brochure on Regulation 1400/2002, p. 14, and section 3 below.

(8) Cf. Commission press releases IP/06/302 and IP/06/303 *in fine.* See also section 4 below.

2. Multi-brand distribution of new cars under Regulation 1400/2002

In the context of multi-brand distribution of new cars, Regulation 1400/2002 sought to address a two-fold competition concern. In fact, Article 81(1) could apply in connection with two main effects resulting from the 'traditional' mono-brand distribution systems put in place by virtually all vehicle manufacturers before the entry into force of the Regulation. The first potential issue relates to obstacles for manufacturers to access or to expand in markets ([9]). It is true that, in the context of the wide-ranging network reorganisations between 2001 and 2003 across most of the EU, the exit of many dealers from their previous networks may have made it easier in many countries for car manufacturers to find distribution partners. However, it would be wrong to altogether discard considerations of access to, and expansion in, markets as a potential concern ([10]): issues may still arise, for instance, with respect to less densely populated areas where it can be particularly difficult for non-domestic brands to expand in the market, or with respect to specific market segments where competition is less intense ([11]).

In any event, aside from such considerations, the competition rationale of Regulation 1400/2002 as regards multi-brand distribution has a second element, namely 'to give distributors opportunities to sell vehicles of brands from two or more manufacturers' ([12]). This not only refers to dealers being able to adopt a second supplier strategy ([13]) and to offer consumers a better opportunity to compare a range of different cars (in-store competition). It also refers to dealers being able to opt for a potentially more cost-effective distribution format as an alternative to the traditional mono-brand model. In this context it is worth recalling that the Court of First Instance emphasised that rigid selective distribution systems which a priori exclude alternative and innovative forms of distribution that are otherwise suitable for the sale of the products in question, can raise competition concerns under Article 81(1) ([14]). Such concerns about the exclusion of potentially more competitive distribution formats can become particularly relevant in a context where many competing suppliers operate similar types of distribution systems (possible cumulative effects), as is the case in the car sector. The vast majority of manufacturers in the EU apply similarly structured systems of quantitative selection for the distribution of new cars, and similar systems of qualitative selection for the provision of authorised after-sales services and the distribution of spare parts. In such scenarios, the members of each selective distribution system operate with a similar distribution cost structure and are not faced with competition from distributors who have a different retail and cost structure. Indeed, multi-brand distribution of cars is often seen by dealers as one way of achieving a more cost-effective use of their existing investments by enabling them to spread their fixed costs over greater sales volumes. This can increase the scope for competition on retail prices with no detriment to the quality of sales services, as dealers remain subject to the same quality standards set by the respective suppliers.

Regulation 1400/2002 deals with multi-brand distribution of cars as a 'special condition' in Article 5, as opposed to the hard-core restrictions listed in Article 4, and thereby leaves wider scope for a case-by-case assessment. Article 5(1)(a) excludes non-compete obligations of dealers as defined in Article 1(1)(b) from block exemption. Both Articles 5(1)(a) and 1(1)(b) are clear that indirect restrictions, i.e. measures which have *equivalent* effects to those of a direct non-compete obligation, are not exempted either. Under the new Regulation, authorised dealers shall not be unduly restricted in exercising their choice to use their *existing* facilities for selling cars of another brand so as to avoid inefficient duplication of investments ([15]). In contrast to Regulation 1475/1995 (the previous block exemption Regulation for the sector), the new rules no longer exempt the obligation of dealers to have, for their business activities with other brands, separate sales premises, a separate management, and a distinct legal entity ([16]). The definition of non-compete obligation in Article 1(1)(b) of Regulation 1400/2002 now makes it clear that manufacturers can legitimately require

([9]) See Recital 27 (1st half of 1st sentence) of Regulation 1400/2002.

([10]) See, however, Klevstrand, Multi-Branding of Cars: a Paper Tiger?, [2005] E.C.L.R., 538.

([11]) It should also be noted that the dealerships that have become 'vacant' in recent restructurings of networks may not always be those which are well located.

([12]) See Recital 27 (2nd half of 1st sentence) of Regulation 1400/2002.

([13]) In this context, the opinion of AG Tesauro should be noted in case C-230/96, *Cabour et al.,* ECR [1998] p. I-2058, at para. 38, emphasising that non-compete obligations of car dealers (e.g. not to sell cars of a competing brand even from separate premises) can constitute a restriction of competition within the meaning of Article 81(1) because they limit the 'dealers' commercial independence'.

([14]) See CFI, case T-19/92, *Groupement d'achat Edouard Leclerc (Galec) / Commission,* ECR [1996] p. II-1851, in particular at para. 122, 166. Cf. also ECJ, case 75/84, *Metro II,* ECR [1986] p. 3021, at para. 40.

([15]) Cf. the reference in Recital 27 and Article 1(1)(b) to the use of the same showroom and the same personnel for several brands.

([16]) See Article 3(3) of Regulation 1475/1995.

their dealers to display their car models in brand-specific areas of the showroom in order to avoid confusion between the brands and potentially negative consequences for their respective brand images. Recital 27 points out that full-range forcing, i.e. the obligation of a dealer to distribute and promote the car maker's entire model range, is, in principle, block exempted, provided that it does not render the sale or display of competing vehicles impossible or unreasonably difficult.

The BMW and the GM cases provided the Commission with the opportunity to clarify the interpretation of Regulation 1400/2002 in relation to a number of frequently occurring contract provisions which were regarded by the complainants as capable of hindering dealers' ability to sell brands of competing car manufacturers.

(a) Non-exclusive use of premises and compliance with corporate identity requirements of competing manufacturers

The BMW and GM dealer agreements contained a number of requirements which limited the dealers' ability to develop an activity with competing brands within their existing premises. The complainants were concerned, in particular, about the extent to which manufacturers would allow the co-existence of competing brand signage and corporate identity elements within and outside the premises of the dealer. Following the Competition DG's investigation, BMW and GM confirmed to their respective networks that they accept the use by dealers of their *existing* premises and facilities for the purpose of selling cars of a competing brand. In this context, the manufacturers explicitly accepted that all facilities can be used on a non-exclusive basis, with the exception of the part of the showroom dedicated to the sale of their brand. Therefore, the entrance, reception counter, customer area and back office, for instance, can be set up in a brand-neutral manner, if the dealer so wishes. In addition, both carmakers explicitly recognisesd the principle of co-existence of competing brands as regards the display of their respective trademarks, distinctive signs or other corporate identity elements in and outside the dealership premises.

Uncertainties and ambiguities concerning brand signage and corporate identity obligations in the texts of agreements *de facto* often have considerable deterrent effects on dealers. It is therefore important to note that BMW and GM communicated all their respective contractual clarifications and adjustments in the form of clear and explicit guidelines for authorised dealers explaining to them the criteria applicable when they decide to sell cars of competing brands.

(b) Measuring dealer performance

A major concern of the complainants in the GM case related to the method of setting sales targets and evaluating dealer performance. Dealer sales performance was measured by Opel both in terms of numbers of cars sold and number of cars registered in the dealer's area of responsibility, the latter indicating the dealer's local market share. In both cases the measurement was of relative performance. The mechanism used was as follows: to measure sales effectiveness, GM looked at the number of vehicles sold by a dealer in relation to his or her sales target, as a percentage. This percentage was then compared to the average degree of achievement of sales targets by all dealers in the Opel network in that country. If the relative performance of the dealer was less than 75% of the average national performance, GM could initiate a process of sanctions, which could culminate in termination of contract. The same procedure was used for measuring registration effectiveness, where the dealer's local market share was compared with the national market share.

There were two aspects of the performance measuring process which were of concern to the complainants: first, that the dealers felt that the sales targets were imposed rather than agreed and that this could be construed as an indirect non-compete obligation, and second, that the application of the registration effectiveness performance measure could act as a potential deterrent on dealers considering becoming multi-brand, as the 75% relative performance threshold, were it not adjusted, would give little room for manoeuvre in the case of a dealer who started to sell an additional, competing brand. Although one could assume that a dealer would choose to become multi-brand in the hope of increasing overall sales, there is the risk that sales of a new competing brand would 'cannibalise' the sales of the original brand. GM decided to adopt a solution that avoids any doubts as to the compatibility with Regulation 1400/2002, by altogether removing the sanction linked to the registration effectiveness measure. Moreover, GM provided that the sales targets will be mutually agreed with dealers and will be set taking account not only of possible changes in local market conditions but also of changes to the individual business circumstances of the dealer, such as the decision to sell competing brands. GM clarified that these targets are subject to arbitration in the case of dispute.

(c) Operational standards

As regards operational standards and with a view to avoiding unnecessary duplication of dealers' investments in this respect, BMW has allowed the use of a brand-neutral accounting methodol-

ogy and accounting frame, provided that these fulfil certain basic requirements. BMW would, for example, accept that a multi-brand dealer uses the generic accounting framework DATEV SKR 03 which is marketed by an independent company. Similarly, both BMW and GM clarified that their dealers can use generic (i.e. multi-brand compatible) IT software (e.g. dealer management systems) provided that such software has equivalent functionality and quality to the solutions recommended by BMW and GM, and provided that the interfaces allow communication with the central IT systems of the respective manufacturer. In this context, it should be noted that all contractual adjustments and clarifications implemented by BMW and GM became an effective part of the existing contracts and thus subject to the dispute resolution mechanisms contained in these contracts. Therefore, in the event of disagreement between the parties, for instance, on the equivalence of the functionality and quality of alternative IT software, arbitration can be used to settle the matter.

GM also clarified that its dealers can set up multi-brand internet sites and link them to their Opel specific web pages. Furthermore, GM made it clear that Opel trained sales personnel can also be used for selling cars of other brands while no GM-specific training is required in respect of staff entrusted solely with the sale of competing brands.

(d) Commercially sensitive information on competing brands

Dealer agreements in the sector often impose detailed and wide-ranging reporting and auditing obligations on dealers. In this context, potentially significant obstacles to multi-branding can arise where such obligations extend to data which include commercially sensitive information on the business activities of dealers regarding products of competing suppliers. Both BMW and GM have clarified that the reporting obligations on dealers to provide their respective manufacturers with regular information on sales and other business data will not require the disclosure of such commercially sensitive information relating to other brands. In particular, GM has confirmed that the software used by GM to communicate with its dealer network will not enable the company to obtain such information. The same principles apply to the disclosure of data to the manufacturers in the course of commercial audits. Where the manufacturer may have a legitimate interest in verifying the financial health of a dealer's entire business operations, this will be conducted – as BMW has made clear – through a neutral third party (e.g. an accounting firm) who will make available to the manufacturer only the necessary abstract summary information.

In response to another concern regarding the communication of data on potential customers, GM clarified in its circulars that dealers are only required to provide information to GM on current Opel customers and not on existing customers of competing brands. Insofar as the reporting obligation also concerned *prospective* customers of GM, it was also clarified that information on them should only be provided to GM where such a customer has specifically requested information on a GM vehicle, or has approached the dealer following a GM-specific advertising campaign.

(e) Minimum number of display vehicles

The Competition DG also investigated whether the BMW requirements as to the minimum number of cars a dealer must have on display could produce effects amounting to an appreciable indirect non-compete obligation within the meaning of Regulation 1400/2002. Market data, however, revealed that, for the large majority of authorised BMW dealers in the countries investigated ([17]), the BMW contracts left significant free capacity for dealers to be able to use their existing showroom to display cars of another brand. Those BMW dealers that have insufficient showroom space available for other brands are mainly smaller dealers, representing clearly less than half of the current network of BMW dealers in these Member States. For these smaller dealers, the contractual minimum standard requires the display of 3-4 cars only. As the block exemption covers, in principle, obligations designed to ensure an even and effective representation of a range of the carmaker's models ([18]), the Competition DG did not consider this requirement to be an indirect non-compete obligation within the meaning of Regulation 1400/2002. Showrooms below a certain size may in certain cases simply not be suitable for displaying a representative range of cars by more than one brand, without additional investment.

It is sometimes argued that minimum requirements in relation to demonstration cars and cars held in stock tie up so much capital that it becomes economically difficult for a dealer to become an authorised distributor of another brand. The requirement for a dealer to have a variety of demonstration cars or cars in stock is a normal consequence of its obligation to promote a range of

([17]) The investigation focussed on a representative group of EU Member States, namely those where BMW achieves more than three quarter of its total car sales related wholesale turnover (in terms of value and volume) and where therefore the impact on consumers can be expected to be strongest. These countries are Germany, France, Italy, Sweden and the UK.

([18]) See Recital 27 of Regulation 1400/2002 on full-range forcing.

models of each brand which is covered by the block exemption. Secondly, it must be considered that the financial burden resulting from the distribution of one brand does not as such amount to an indirect non-compete obligation. Selling cars of an additional brand usually generates greater turnover and earnings. It can be assumed that it would only be economically rational for a dealer to become authorised for another brand if the additional earnings derived from selling cars of the new brand were sufficient to offset the costs of becoming authorised for this brand. Costs for fulfilling the standards of one brand do therefore not per se constitute an indirect non-compete obligation.

3. Access to authorised repairer networks and multi-brand servicing

With respect to car servicing and repair, one of the policy objectives of Regulation 1400/2002 was to enable authorised repairers to concentrate on after-sales services only ([19]) and to exempt only qualitative selective distribution where the authorised network accounts for a market share in excess of 30% ([20]). Qualitative selective distribution means that the manufacturer appoints the distribution partners on the basis of selection criteria which are objectively necessary with a view to the nature of the product and the service in question ([21]). It also means that such purely qualitative criteria must be set out and applied in a uniform and non-discriminatory manner ([22]). From this it follows that manufacturers who wish to operate a qualitative selective system that meets the conditions for block exemption under Article 3(1), must admit all candidates who fulfil the required qualitative criteria to their networks of authorised repairers. The rationale behind this approach of the Regulation is to enable market forces to determine the density of the authorised repair networks and the location of repair outlets in accordance with local demand, so that consumers can benefit from certified after-sales services in their proximity and effective competition between authorised repairers ([23]).

In addition to these rules, Regulation 1400/2002 also contains provisions for multi-branding in the after-market: on the one hand, the rule of Article 5(1)(a) (in conjunction with Article 1(1)(b)) on non-compete obligations encompasses also the sale of repair and maintenance services and the distribution of spare parts ([24]). On the other hand, Article 5(1)(b) contains a specific rule on restrictions of the 'ability of an authorised repairer to provide repair and maintenance services for vehicles from competing suppliers'. It is submitted that the rule in letter (b) does not intend to establish a different regime than letter (a) of Article 5. Rather, the reason for a separate provision in Article 5(1)(b) is simply to allow for multi-brand after-sales activities also in the likely event that the relevant product markets in this regard are to be defined as being brand-specific ([25]).

In view to complying with the above rules of Regulation 1400/2002, BMW and GM both adopted a number of contractual clarifications and adjustments to their respective servicing agreements with their authorised repairers.

With respect to authorised repairers using their facilities and equipment for the purpose of servicing cars of other brands, both carmakers have implemented the same principles as set out above in the context of multi-brand car distribution. As BMW and GM, in view of the strong position of their authorised networks on the aftermarket, wished to apply a system of qualitative selective distribution in relation to their repairer networks in order to benefit from block exemption, they also eliminated various non-qualitative requirements that appreciably restricted outsiders in entering the authorised networks. Some of these requirements also had the effect of unduly hindering authorised repairers in their capacity to service cars of other brands. In the following, we will look at a selection of these issues.

(a) Quantitative criteria

Where manufacturers have opted for qualitative selective distribution because the market share of their networks exceeds 30%, agreements containing *quantitative* selection criteria are not exempted by Regulation 1400/2002 as stipulated in Article 3(1). Quantitative selection criteria, which are defined in Article 1(1)(g) of the Regulation, are criteria that directly limit the potential number

([19]) Without being obliged to also sell new cars of the respective brand, see Article 4(1)(h) and Recital 22 of the Regulation.

([20]) Where the market share of the car maker and its authorised repair network exceeds 30%, the Regulation only exempts the use of such selection criteria that are of purely qualitative nature (cf. Articles 3(1) and 1(1)(h) of the Regulation).

([21]) See Article 1(1)(h) of the Regulation.

([22]) *Ibid.*

([23]) In this context, it should be noted that the catchment areas of repair-shops tend to be rather small. It appears that a driving time of up to 15 to 30 minutes is usually the distance that the average consumer is prepared to travel to have his car serviced and repaired.

([24]) See the wide definition in Article 1(1)(b) of the Regulation.

([25]) A non-*compete* obligation presupposes that one and the same relevant market is concerned, cf. Article 1(1)(b) of the Regulation ('… of the contract goods, corresponding goods or services and their substitutes on the relevant market …').

of members of the network ([26]). Examples, aside from directly fixing the number of dealers, include minimum turnover or minimum purchase obligations or minimum capacity requirements ([27]). Such criteria determine, *de facto*, the maximum number of distributors that can commercially exist in the relevant geographic area.

In order to ensure block exemption of their service agreements, BMW and GM removed all quantitative criteria from these contracts. In particular the BMW contracts had contained an incremental scale of minimum capacity requirements in terms of work bays, equipment, stock and warehouse capacity, that depended on the local BMW car park. These requirements, which were based on the total potential local demand in the catchment area rather than on the actual demand of each repairer, implied that any new entrant was required to set up service capacities duplicating those already operated by existing authorised repairers. This mechanism entailed such investments in redundant capacities as would deter the entry of new competitors into the authorised repairers' network. The requirement for new entrants to build up capacity, regardless of the actual demand of the individual repairer, artificially increased entry costs and protected the incumbent authorised repairer from competition. BMW now merely requires that each authorised repairer has a minimum of three mechanical work bays (and corresponding equipment) which can be deemed necessary to ensure high quality service.

(b) Introduction of an 'opening clause' for equivalent equipment

BMW and GM also introduced an 'opening clause' to their servicing contracts to enable their authorised repairers to source equipment, including tools and IT hardware and software, from suppliers other than those designated by BMW and GM, provided that the competing products are of equivalent functionality and quality (the contractual arbitration mechanism being available in the event of dispute). This not only helps authorised repairers to keep their investment costs within the limits of what is objectively necessary to provide high quality service (cf. Articles 3(1) and 1(1)(h)). It also allows authorised repairers to purchase – where available – generic tools, equipment and informatics infrastructure that can be used for servicing cars of different brands (cf. Article 5(1)(a/b)), thus avoiding inefficient duplication of investments for multi-brand repairers. In this context, GM in particular removed doubts as to the possibility to use any workshop facilities or equipment for servicing cars of competing brands. Moreover, GM reduced the number of special tools that authorised repairers must constantly hold on their premises, thereby enlarging the possibilities for dealers to pursue alternative solutions to ensure the availability of particularly rarely used special tools (e.g. renting or sharing between repairers in geographic proximity, provided of course that the alternative solution is not to the detriment of the quality of the repair and maintenance service).

(c) Joint purchasing and warehousing

Finally, BMW and GM have clarified that authorised repairers do not have to have their own complete individual warehouses on site. BMW in particular informed its authorised repairers that they are only required to keep stocks of those so-called 'over-the-counter-parts' at their premises which are frequently purchased by customers. Other spare parts can be stocked elsewhere, provided that quality of service is not negatively affected, e.g. in shared warehousing capacities which ensure 'just in time' supplies. These clarifications and adjustments open the way for potentially more efficient forms of cooperation between authorised repairers in purchasing and warehousing of spare parts. Joint purchasing and joint warehousing can contribute to freeing up both physical and financial resources to organise the sourcing of competing spare parts from a range of different suppliers, thus enhancing consumer choice.

4. Conclusion

The solutions designed in the BMW and GM cases were publicised by the Commission ([28]) with a view to providing guidance on the interpretation and application of Regulation 1400/2002, so as to assist all interested parties in the sector and their legal advisors in assessing similar matters under Regulation 1400/2002. Although the cases provide a number of useful indications on the relevant considerations under competition rules, they do not preclude in any way the outcome of an individual assessment under Article 81(1) and (3) of the EC Treaty, which would require, on a case-by-case basis, a comprehensive factual analysis of the agreements and their effects in their full economic and legal context ([29]).

([26]) See also Vertical Guidelines, Official Journal C-291/1, 13.10.2000, para. 185 *in fine*.

([27]) Cf. Vertical Guidelines, Official Journal C-291/1, 13.10.2000, para. 185, 189.

([28]) See Commission press releases IP/06/302 and IP/06/303 of 13th March 2006 as well as the accompanying Commission background memorandum MEMO/06/120. See also the forthcoming annual Report on Competition Policy 2005.

([29]) See for more details Guidelines on the application of Article 81(3) of the Treaty, Official Journal C-101/97, 27.04.2004.

It should also be noted that the complainants in the BMW and GM cases had raised several arguments which the Commission did not consider to be founded under EC competition rules. Some of these arguments related to concerns about the imbalance of contractual powers and a resulting perceived unfairness of the dealer and servicing agreements. Whilst concerns of this nature are, as such, not likely to amount to a restriction of competition within the meaning of Article 81, they may raise issues under applicable rules of national law, in particular those on the protection of weaker contract parties. National courts not only can apply such rules of national law, but will also usually be in a position to combine this with the application and enforcement of EC competition rules, for which they are fully competent. Indeed, this fact may constitute an incentive for dealers and repairers to lodge their claims before national courts, including in cases where the agreements concerned are not in line with the principles summarised in the present article.