

**Reference from the High Court, Meowcurey, for a Preliminary Ruling under Article 267
C-1234/2026 *Bus-a-Rama v. RideLocoBus***

This reference for a preliminary ruling under Article 267 TFEU has been made by the High Court of Meowcurey in the context of the civil proceedings in *Bus-a-Rama v. RideLocoBus*, currently ongoing. The national court seeks guidance on the interpretation of Article 102 TFEU and its application to the issues in the main proceedings.

Background to the Reference

Bus-a-Rama, the claimant in the main proceedings, is the principal provider of bus services in Purrshire, a medium-sized region in south Meowcurey. Initially publicly owned and operated by the Purrshire County Council, Bus-a-Rama held a legal monopoly on the provision of bus services in Purrshire until its privatisation in 2005. Since that date, the bus services market in the region has been open to full competition, although only one other company—RideLocoBus, the defendant in the main proceeding—has entered the market. As context, there are no licensing requirements to operate a bus service in Meowcurey and only limited capitalization is required.

Currently, Bus-a-Rama accounts for around 86% of bus journeys taken in Purrshire, with the remainder provided by RideLocoBus.

In addition, Bus-a-Rama retains ownership of the major bus terminal in the region, located within the region's main city, Paw City. Almost all bus journeys within Purrshire, whether operated by Bus-a-Rama or RideLocoBus, either originate from or end at the Paw City Bus Terminal (PCBT). Although not legally obliged to do so, in 2009, Bus-a-Rama granted RideLocoBus a ten-year licence to access the PCBT facilities, to pick up and drop off passengers from PCBT, and to store buses overnight at the terminal. Upon the expiry of the licence in 2019, the commercial relationship continued on a year-to-year basis. Initially, under the 2009 licencing agreement, Bus-a-Rama charged RideLocoBus a fixed fee of 5 nips per bus journey for access to the facilities at PCBT. Since 2019, however, the fixed fee has increased steadily each year, and stands at the beginning of 2026 at 20 nips per bus journey.

Legal dispute in the main proceedings

For some years, since the cost of accessing PCBT began to increase, RideLocoBus has been experiencing financial difficulties. As a result, RideLocoBus has defaulted on access payments to Bus-a-Rama. In March 2026, Bus-a-Rama filed a complaint for breach of contract before the High Court and sought the recovery of unpaid access fees for the past six months.

For its part, RideLocoBus argued, *inter alia*, that its year-on-year access contract with Bus-a-Rama is void as a matter of public policy under Meowcurey law, on the basis that Bus-a-Rama's conduct amounts to a breach of Article 102 TFEU and/or the equivalent rule within Meowcurey competition law. (Note that for the purposes of this reference the parties agree that the answer under both EU and Meowcurey law would be the same, so that no further references to domestic law will be made.) Specifically, RideLocoBus argues that the wholesale access fees charged by Bus-a-Rama are so high as to be exclusionary and abusive, and are intended to deny it access to PCBT in practice and,

thus, excluding it from competing against Bus-a-Rama within the bus services market in Purrshire. RideLocoBus further argues that Bus-a-Rama's flat rate retail fee of 1.50 nips that it charges all its bus passengers, regardless of time or length of journey, further exacerbates the anticompetitive effect. RideLocoBus concludes that, considering the steep access fees to PCBT that it must pay to Bus-a-Rama, the only way that it could match these low retail fares (and, thus, continue to compete against Bus-a-Rama) would be to operate at a loss, which is not a sustainable business strategy. Worse, these unfair pricing practices entrenches Bus-a-Rama's decades-long reputation as the established incumbent bus supplier in the region and, thus, in clear violation of Article 102 TFEU.

Bus-a-Rama rejects these claims arguing that, *first*, its activities do not fall within the purview of Article 102 TFEU as it does not possess a dominant market position. In this regard, Bus-a-Rama points to the absence of barriers to entry into this market (i.e., lack of licensing requirements and limited capitalization and, thus, limited sunk costs) and the very low profit margins that it, like RideLocoBus, make. Bus-a-Rama points to the price-sensitivity of bus passengers and argues that it would be unable to raise fares by any significant amount without losing passengers to RideLocoBus. *Second*, Bus-a-Rama insists that its pricing practices are efficient, fair and, particularly, beneficial to consumers. It argues that the access fee charged to RideLocoBus for access to PCBT reflects the strategic importance of the terminal and suggests that the true reason why RideLocoBus is operating at a loss is because of its inefficient services and faulty management. Bus-a-Rama alleges that RideLocoBus is disliked by consumers for its unreliability and poor quality of service, and thus unable to reach efficient economy of scale levels. Bus-a-Rama maintains that a finding of Article 102 TFEU breach under these circumstances would be tantamount to making Bus-a-Rama responsible for the shortcomings and failures of its competitor.

The High Court is unsure whether and how Article 102 TFEU might apply in these circumstances. It has therefore decided to refer the following questions to the Court of Justice of the European Union for a preliminary ruling pursuant to Article 267 TFEU:

- (a) Is the concept of a 'dominant position' for the purposes of Article 102 TFEU to be interpreted in such a way that an undertaking such as Bus-a-Rama qualifies as holding such a position in the circumstances?
- (b) If the answer to the first question is yes, is the concept of 'abuse' for the purposes of Article 102 TFEU to be interpreted in such a way that pricing practices such as those imposed by Bus-a-Rama at wholesale and/or retail level amount to an abuse of dominance within the meaning of that provision?