

COFECE notifies its Statement of Probable Responsibility for possible absolute monopolistic practices in the market for commercialization of tortilla in the Mexican State of Jalisco

- *In the Statement of Probable Responsibility, COFECE's Investigative Authority stated that there are sufficient elements to suggest the probable responsibility of economic agents for possible actions against the law.*
- *The case will continue as a trial-like procedure where the economic agents may respond to COFECE's allegations.*

Mexico City, April 7, 2017.- The Federal Economic Competition Commission (COFECE or Commission) notified several economic agents of a Statement of Probable Responsibility for their alleged participation in absolute monopolistic practices in the markets for the production, distribution and commercialization of tortillas in the Mexican State of Jalisco.

This investigation began on March 16, 2016, following possible declarations or exhortations from economic agents for a probable price manipulation in coordinated actions. At the time, the Commission said that pricing is an individual and independent decision of each business.¹

The notification of the Statement of Probable Responsibility establishes the initiation of the trial-like procedure stage, conducted by the Commission's Technical Secretariat. This, following the conclusion of the ex officio investigation conducted by the Investigative Authority under the file DE-009-2016. There, the Investigative Authority states to have knowledge of contracts, agreements or combinations between economic agents that compete as producers, distributors or marketers of corn tortilla in the State of Jalisco, with the purpose or effect to manipulate the sale price of tortilla per kilogram in that State.

During the trial-like procedure, the corresponding economic agents have the right to argue in their favor and submit evidence in support of its defense to the allegations presented against them, as provided by Article 83, subsection I of the Federal Economic Competition

¹Press release: [COFECE issues cautionary advice to the tortilla industry for probable absolute monopolistic practices, February 16, 2016.](#)

Law (FECL). Once the defense arguments are heard, evidence is analyzed and allegations are brought forth, COFECE's Board of Commissioners shall issue a resolution in accordance with the law.

According to the FECL, if economic agents are found responsible for committing an absolute monopolistic practice, they may be sanctioned with fines of up to 10% of their revenue. Individuals who participated in the conduction, execution or order of these practices could be punished with jailtime of up to 10 years in accordance with the Federal Criminal Code.

Read [what is an absolute monopolistic practice?](#)

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The Federal Economic Competition Commission is entrusted with safeguarding competition and free market access. Through this, it contributes to consumer welfare and the efficient functioning of the markets. Through its work it seeks better conditions for consumers, greater output and better services and a "level playing field" for companies.