

COFECE notified economic agents of a Statement of Probable Responsibility for possible absolute monopolistic practices in the market for corn tortillas in Palenque, Chiapas

- *The Investigative Authority's Statement of Probable Responsibility indicates the existence of sufficient evidentiary elements to presume the notified economic agents possibly sustained an anticompetitive conduct.*
- *With the notification of the Statement of Probable Responsibility, a trial-like procedure is initiated, in which the notified parties will be able to address COFECE's allegations.*

Mexico City, November 9, 2018.- The Federal Economic Competition Commission notified diverse economic agents of a Statement of Probable Responsibility for the commission of absolute monopolistic practices (collusive or horizontal agreements) in the market for the production, distribution and commercialization of corn *tortillas* in the municipality of Palenque, in the state of Chiapas.

This investigation, filed under DE-031-2017, was initiated from a complaint filed on September 29th, 2017 and was concluded on September 27th, 2018. The Statement of Probable Responsibility issued by the Investigative Authority indicated having knowledge of facts that possibly derived in the fixing, increase or manipulation of prices for the sale of *tortillas* and the division, distribution, assignment or imposition of segments in said market.

Absolute monopolistic practices (collusive agreements or horizontal restraints) are contracts, agreements or arrangements between competing economic agents, with the purpose or effect of manipulating prices, restricting or limiting supply or demand, the division or segmentation of markets, bid rigging, as well as the exchange of information to carry out any of the aforementioned conducts.

The notification of the Statement of Probable Responsibility establishes the initiation of the trial-like procedure stage, conducted by the Commission's Technical Secretariat, in which the corresponding economic agents may have the right to address the allegations and



submit evidence in support of their defense. 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.

As stipulated in the law, should the Commission confirm an illicit conduct was carried out, the economic agents may be fined as per the Federal Economic Competition Law.

See in Spanish: *What is an absolute monopolistic practice?* and *What are Statements of Probable Responsibility and what are they used for?*

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The Federal Economic Competition Commission is entrusted with safeguarding competition and free market access. This contributes to people's well-being and the efficient functioning of markets. With its work, COFECE seeks better conditions for consumers, more services of higher quality and a "level playing field" for companies.

