

COFECE sanctions *BorgWarner* and *Remy Holdings International* for failing to notify a concentration; transaction is authorized

- *The two economic agents were fined a total of 2 million 921 thousand 600 pesos.*
- *The Commission authorized the concentration as there are low probabilities that it affects the competition and free market access process.*

Mexico City, January 31, 2019.- The Federal Economic Competition Commission's (COFECE or Commission) Board of Commissioners cleared the transaction between *BorgWarner* and *Remy Holdings International* as it was considered that it does not pose a threat to competition conditions in the market; however, they were fined for failing to notify the concentration before closing the operation.

BorgWarner is a public U.S. company that, through its subsidiaries, participates in the market for the production and commercialization of automobile components and parts, worldwide. *Remy*, is a holding company, subsidiary of *Torque Capital*, created to carry out this transaction.

The operation between *Remy* and *BorgWarner* exceeded the thresholds the Federal Economic Competition Law (LFCE) stipulates. The transaction was carried out in October 2016 yet, it was not notified to the Commission until October 2018.

Considering the aforementioned, COFECE's Board of Commissioners fined each economic agent involved in the transaction one million 460 thousand 800 pesos. Failure to notify a concentration is considered a severe misconduct; however, when the sanction was determined, the Board of Commissioners considered, as a mitigating factor, the voluntary recognition of failure to notify and their lack of compliance.

Once parties have been notified of the resolution, the LFCE grants the sanctioned economics agents the right to go before the Federal Judiciary to review the legality of COFECE's actions.

See in Spanish: [Factors for the analysis of a concentration](#) and [Sanctions for failure to notify or unlawful concentrations](#)



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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.



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