

COFECE sanctioned economic agents in the market for dairy products for failing to notify a concentration

- *The sanctioned companies are Nestlé, Société des Produits Nestlé, Nestec and Innovación de Alimentos, the latter is a subsidiary of Grupo Lala.*
- *Fines imposed on the four economic agents involved in the transaction total 7 million 922 thousand 573 pesos.*
- *Mexican households allocate 11.4% of their total budget on food and beverages to the purchase of milk and its by-products.¹*

Mexico City, March 6, 2019.- The Federal Economic Competition Commission fined *Nestlé México (Nestlé), Société des Produits Nestlé (SdeP), Nestec and Innovación de Alimentos (Innovación)* a total of 7 million 922 thousand 573 pesos for failing to notify a concentration while legally being compelled to do so.

The transaction between *Nestlé, SdeP, Nestec and Innovación*, the latter is a subsidiary of the Mexican dairy company, *Grupo Lala*, took place between July and August 2013 and exceeded the thresholds set forth in the Federal Law on Economic Competition. Consequently, notifying the Commission of the transaction was mandatory, to assess its impact on competition and free market access in the market for the production and commercialization of dairy by-products, specifically yogurt and cheese.

COFECE's Board of Commissioners sanctioned the companies involved in the transaction. The fines total 7 million 922 thousand 573 pesos, which is commensurate with the estimated value of the risk generated from failing to notify the concentration.

Once the resolution is notified to the parties, the Federal Law on Economic Competition grants the sanctioned economic agents the right to go before the Federal Judiciary so the legality of COFECE's actions may be reviewed.

See in Spanish: [Factors considered to review concentrations](#) and [Sanctions for unlawful or unnotified concentrations](#)

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¹ [El sector alimentario en México 2014](#), Serie estadísticas sectoriales, INEGI

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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.

