

COFECE investigates possible relative monopolistic practices in the market for production, distribution and commercialization of medical oxygen in the Mexican territory

- This investigation must not be understood as a prejudgment but rather as an action of the authority to verify compliance with the Federal Economic Competition Law.
- Medical oxygen is a medicine used for respiratory ailments, mechanical ventilation services, surgical interventions, among other treatments.

Mexico City, July 23, 2020.- The Investigative Authority of the Mexican Federal Economic Competition Commission (COFECE or Commission) published today in the Federal Official Gazette and on its website the notice of initiation of an investigation for possible relative monopolistic practices consisting in establishing exclusivity conditions of sale or purchase in the market for production, distribution and commercialization of medical oxygen and related services in the Mexican territory.

Medical oxygen is used as a medicine for tending respiratory ailments, for the treatment or prevention of oxygen deficiency in blood, in home care services for invasive and non-invasive mechanical ventilation, in surgical interventions, besides being used in medical tests to diagnose sleep disorders.

Relative monopolistic practices are actions, contracts, agreements or procedures carried out by one or several economic agents with substantial market power and who have or may have as purpose or effect unduly displacing other market agents, substantially impeding their access or establishing exclusive advantages in favor of one or more economic agents. Examples of these practices are tied purchases or sales, exclusivities, discriminatory prices or treatment, increasing costs for other economic agents, refusal to deal, among others.

This investigation, identified under file number IO-001-2020, must not be understood as a prejudgment on the responsibility of any economic agent, as to this date, violations to the economic competition regulation have not been identified definitively, nor the subject or subjects who, if this is the case, would be considered as probable responsible at the end of the investigation.

The timeframe for this investigation is of up to 120 working days, starting on July 13, 2020, date when the investigation began, and can be extended for the same lapse up to four occasions.



If by the end of the investigation, no elements to presume the execution of said anticompetitive practices are found, COFECE's Board of Commissioners could resolve its closure. In the case that elements to presume a violation to the Law are found, those responsible will be called to a trial-like procedure to present their defense.

Shall the execution of a relative monopolistic practice be confirmed, the economic agent or agents responsible could be sanctioned with fines of up to 8% of their turnout and ordered to cease the conduct.

Read:

Extract of the agreement of initiation IO-001-2020 (in Spanish)

What is a relative monopolistic practice? (in Spanish)

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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

