

COFECE notified economic agents of a statement of probable responsibility for a possible collusion in hygiene products manufactured with cellulose

- *With this notification, the trial-like procedure begins, in which the economic agents will be able to defend themselves against the allegations brought against them.*
- In this market, everyday goods used by Mexican families are produced, such as baby diapers, feminine hygiene protection, incontinence products, among others.

Mexico City, February 15. 2021.- The Federal Economic Competition Commission (COFECE or Commission) notified various companies and natural persons of a statement of probable responsibility as it found evidence of a probable collusion in the market for hygiene products manufactured with cellulose, in which daily use goods are produced, such as baby diapers, feminine hygiene protection and incontinence products, among other related products.

Collusions, defined in the Federal Economic Competition Law (LFCE) as absolute monopolistic practices, are agreements between competitors who, instead of competing for the preference of consumers, agree to manipulate prices, restrict or limit the supply or the demand, allocate markets, arrange bids in tenders, as well as exchange information with any of the aforementioned purposes or effects.

This procedure processed under file I0-004-2017, is relevant due to the effects that a collusion in the investigated market could have on the purse of Mexican families, for example, price increases or restriction on the supply of these products.

From this moment, those identified for their probable responsibility in the referred monopolistic practices have the right to argue in their favor and offer evidence for their defense. Once these statements have been made, the evidence is submitted and the corresponding arguments are presented, the Board of Commissioners of COFECE will resolve in accordance with the law.

In accordance with the LFCE, and if the unlawful conduct is proven, the economic agents could be sanctioned with fines. They could also face criminal proceedings with sanctions ranging from five to ten years of prison.



Read: [What is an absolute monopolistic practice?](#) (in Spanish) and [What are notifications of probable responsibility and what are they for?](#) (in Spanish)

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The Federal Economic Competition Commission is responsible for ensuring competition and free market access. In this way, it contributes to consumer welfare and the efficient functioning of the markets. Through its work, COFECE seeks better conditions for consumers, greater output and better services and a “level playing field” for companies.

