

Cofece notifies a company of a statement of probable responsibility for probable anticompetitive practices in the market of digital advertising services

- *The Investigative Authority concluded its investigation and issued a statement of probable responsibility.*
- *This notification marks the beginning of the trial-like procedure, in which the economic agent may argue in its favor regarding the alleged accusations against it.*

Mexico City, November 8, 2023. The Federal Economic Competition Commission (Cofece or Commission) notified a statement of probable responsibility to a company that presumably abused its dominant market position to engage in likely anticompetitive conducts of tied sales or bundling in the market for digital advertising services and related services. These conducts, known as relative monopolistic practices, punishable under the Federal Economic Competition Law, were charged in the statement of probable responsibility issued by the Investigative Authority of Cofece (under file IO-003-2020).

This notification marks the beginning of the trial-like procedure, in which the alleged responsible party may state what's within its right, offer evidence related to the alleged accusations made against it, and present arguments. Once the procedure has been conducted, the Board of Commissioners of Cofece will resolve in accordance with the law. If it is proven that a relative monopolistic practice was carried out, the Commission will order the correction or elimination of the illegal practice and the violators could receive a fine of up to 8% of their annual income.

Digital advertising services are commercial communications provided by digital media and platforms, to which advertisers resort to inform, persuade, or strengthen the recognition of a particular brand or service. Digital advertising is the most widely used advertising medium in Mexico and, in recent years, its use has increased globally. These services are part of digital markets, which are one of the priority sectors on which Cofece focuses its efforts due to their growing relevance in the economy and the benefits they provide for Mexican entrepreneurs and consumers.

The Commission will continue to focus its efforts on the detection and prosecution of anticompetitive conducts that could affect digital markets and reaffirms its invitation to anyone with information on illegal anticompetitive practices to file a complaint before the Commission.

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The Federal Economic Competition Commission safeguards competition and free market access. Through its work, it seeks better conditions for consumers, that more services are supplied with higher quality and that there is a "level-playing-field" for companies.