The CNMC initiates disciplinary proceedings against several food distribution companies

• The CNMC is investigating the allocation of clients and the possible manipulation of tenders related to the supply of food to schools, nursing homes and prisons, among other communities.

Madrid, 16 December 2022.- The National Commission on Markets and Competition (CNMC in Spanish) has initiated disciplinary proceedings (S/0016/21) against the following companies: Asesores Llangón S.L., Frutícolas Ateca S.L., Hermanos Vidal S.L., Leonesa de Patatas S.L., Plataforma Femar S.L., Serviline Foods S.L. and its parent company, Distribuciones Cebollada S.L., for alleged anti-competitive practices.

Specifically, the CNMC is investigating possible agreements and concerted practices related to the allocation of customers and the awarding of tenders for the supply of food to schools, nursing homes and prisons, among others, as well as the exchange of commercially sensitive information.

Dawn raids at company premises

In March, the CNMC inspected the premises of <u>Plataforma Femar S.L. and</u> <u>Vifrusa S.L.</u> In September, it carried out another round of dawn raids at the premises of <u>Leonesa De Patatas S.L. and Serviline Foods S.L.</u>

The Commission carried out these dawn raids after becoming aware of alleged anti-competitive practices consisting of agreements for the allocation of customers and the manipulation of tenders issued for the supply of food to communities in Spain.

As of this moment, the limitation period for investigating and deciding on the proceedings is 18 months. The initiation of these proceedings does not prejudge the final outcome of the investigation.

Action against cartels

The investigation of cartels is one of the CNMC's top priorities, given the seriousness of their consequences for consumers and the proper functioning of the markets. The CNMC has a <u>Leniency Programme</u> for detecting and dismantling cartels, among other instruments.



Firstly, this programme grants companies that are part of a cartel immunity from fines. To benefit from this immunity, they must provide evidence that enables the CNMC to detect such a cartel. Secondly, if these companies are ultimately penalised, they shall not be prohibited from entering into contracts with public administrations, as laid down in Article 72.5 of *Law 9/2017 on Public Sector Contracts* —.

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CNMC COMISIÓN NACIONAL DE LOS MERCADOS Y LA COMPETENCIA

- Press release (28/03/2022): <u>The CNMC investigates possible anti-</u> competitive practices in the food supply market to communities dependent on public bodies
- Press release (20/09/2022): <u>The CNMC extends its investigation to new</u> companies for possible manipulation of tenders for the supply of basic foodstuffs to communities dependent on public bodies.

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