

## PRESS RELEASE

### **The CNMC opens antitrust proceedings against seven firms for suspected price coordination in the real estate intermediation market**

- The CNMC has concerns that this coordination was facilitated by real estate brokerage software and the algorithms embedded in them.
- The CNMC investigates whether two real estate intermediation franchises and five suppliers of IT solutions for real estate brokerage breached antitrust rules.

**Madrid, 19 February, 2020.-** Following the inspections carried out in November 2019 (here, [press release](#)), the Competition Division of the CNMC has opened proceedings against seven firms for suspected anticompetitive agreements in the real estate intermediation market. This conduct involves real estate intermediaries coordinating prices and other terms of sale.

The CNMC has concerns that the means by which this coordination was implemented include the use of software and digital platforms. The CNMC is also investigating whether the conduct has been facilitated by firms specialized in IT solutions through the design of real estate brokerage software and the algorithms embedded in them.

The CNMC has initiated proceedings against C.D.C. Franquiciadora Inmobiliaria S.A., Look & Find Primera Red Inmobiliaria, S.A., Aplicaciones Inmovilla, S.L., Idealista, S.A., Witei Solutions, S.L., Anaconda Services and Real Estate Technologies, S.L., and Servicio Multiple de Exclusivas Inmobiliarias, S.L. (MLS), for suspected restrictive practices prohibited by article 1 of the Spanish Competition Act and article 101 of the Treaty on the Functioning of the European Union.

The initiation of these proceedings does not prejudice the result of the investigation. A maximum period of 18 months is now open for the CNMC to investigate and resolve the case.

Agreements between competitors constitute a very serious violation of the antitrust law and can result in fines of up to 10% of the total turnover of the offending companies.

The investigation of cartels is one of the CNMC's top priorities, given the particular seriousness of their consequences on consumers and on the proper operation of the markets. To this end, the CNMC has a "[Leniency Programme](#)", through which companies that are part of a cartel can receive immunity from fines in exchange for providing information to the CNMC that allows it to identify the cartel. It can also

*Unofficial document intended for the media. Not binding on the CNMC. The full text of the resolution is published on the CNMC website once any confidential elements are redacted, and is available at the link contained in the press release. Reproduction authorised only if the source is cited.*

entail a reduction in the amount of the fine that could be imposed if the company provides information of significant value related to an investigation already initiated by the CNMC.

In addition, the CNMC has an online [whistleblower platform](#) to identify cartels that allows the public to provide anonymous information on possible secret agreements between competing companies involving pricing or other commercial conditions, the distribution of markets or customers, or bid-rigging.

We also note that companies that apply for leniency are exempt from the contracting prohibition specified in Article 71 of Law 9/2007 on Public Sector Contracts, which is applicable to companies that are sanctioned for serious infringements involving the distortion of competition. Article 72.5 of the aforementioned Law states that companies that qualify for leniency cannot be prohibited from contracting.

*Unofficial document intended for the media. Not binding on the CNMC. The full text of the resolution is published on the CNMC website once any confidential elements are redacted, and is available at the link contained in the press release. Reproduction authorised only if the source is cited.*