

AdC issues Statement of Objections to supermarket chains and a supplier for price fixing

The Portuguese Competition Authority (AdC) issued a **Statement of Objections to three large food retail groups and a supplier for price fixing**.

The investigation conducted by the AdC revealed that three large food retail groups **used the commercial relationship with a supplier to line up**, between 2004 and 2007, **the retail prices** they practiced for those products, to the detriment of consumers.

If confirmed, this practice is **equivalent to a cartel**, in which the distributors do not communicate directly with each other, as usually the case in a cartel, but they use **bilateral contacts** with the supplier to promote or guarantee through the latter that they all practice the same retail price in the market retailer.

This practice is called a **hub-and-spoke**, in competition terminology.

This proceeding is part of a **second set of hub-and-spoke** cases investigated in Portugal, involving large retailers and suppliers, and the AdC is currently pursuing more **than ten investigations** in the large food retail sector.

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