

Portugal office suppliers hit with formal charges



Portugal's Competition Authority has sent statements of objections to five office supply companies, alleging they took part in price fixing and market sharing.

The Portuguese watchdog announced the formal charges on Friday, accusing five unidentified companies of participating in an office consumables cartel over a 14-year time period.

"The fight against cartels is a maximum priority", the authority said.

A spokesperson at the authority said details of the investigation are confidential until a final decision is made. The companies now have the opportunity to defend themselves, she said; the timeframe for the authority to reach a final decision can vary significantly.

In February, the authority [raided](#) the premises of several office supply companies in the Lisbon and Porto areas, which it said was triggered by evidence of anticompetitive practices by the companies.

A source close to the investigation told *GCR* that at least one leniency application has been filed.

Miguel Mendes Pereira at Vieira de Almeida & Associates in Lisbon said this is probably one of the longest-lasting investigations of alleged cartel conduct, and if the authority manages to prove its case, a hefty fine could follow.

While this would normally lead to settlement or a closing of the investigation with conditions – which are mechanisms introduced by the 2012 Competition Act – this case may bring about an interesting discussion on whether Portugal’s old or new regime is more favourable to the investigated companies, he said.

If, as the authority claims, the infringement lasted for 14 years, the cartel started long before the entry into force of the new Competition Act in 2012, Pereira said. “The most favourable regime must apply, even if it is the old one, in which case no settlement procedure is available.”

Pereira also said the authority has been more active on the cartel front than in previous years.

“This is an encouraging sign for the Portuguese economy, since we do absolutely need a competitive economy and cartels are seriously harmful in this respect,” he said. “The Portuguese economy is picking up again and vigorous competition law enforcement is an important contribution to the credibility of the Portuguese economy.”

In August, Portugal’s competition authority [announced](#) a €831,810 fine against a five-member cartel that manipulated a government tender in the supply of prefabricated building materials, and in June, [accused](#) 15 domestic and international banks of exchanging commercially sensitive information about retail banking services.

