



**OBSERVATORY ON
COMPETITION LAW
ENFORCEMENT**

LISBON COURT OF APPEAL AGREES WITH AdC REGARDING THE CONVICTION OF THE ENVELOPES CARTEL

Margarida Vasconcelos

Sofia Castro Torres

Tomás Carneiro

Lisbon Court of Appeal has condemned the company "Firmo Papéis e Papelarias, S.A." for a cartel practice in the production and commercialization of paper envelopes involving five companies. This conviction is in conformity with the decision of the Autoridade da Concorrência (AdC) of November 2016.

The cartel practice at issue, already identified by the TCRS (Tribunal da Concorrência, Regulação e Supervisão – Public Prosecution Service within the Administrative and Tax Courts), was verified in the market of production and commercialization of envelopes.

The investigation carried out by the AdC revealed that, between 2007 and 2010, five production and marketing companies acted strategically in the national market of envelopes.

The goal of this practice was, on the one hand, the repartition of clients among themselves and, on the other hand, the setting of the price level, thus leading to a restriction of competition in tenders for the supply of envelopes launched by major customers. The companies involved in this cartel represented, collectively, 60% of the market.

"Copidata, S.A. e Tompla – Indústria Internacional do Envelope, Lda.", which integrate this same economic group, reported the practice. Due to their active involvement in the investigation and the provision of the necessary evidence, these companies were exempted from the payment of the fine.

"Papelaria Fernandes – Indústria e Comércio, S.A." was another of the convicted companies, but to which no fine was applied due to the non-existence of business volume.

In spite of the fine suggested by the AdC to "Firmo Papéis e Papelarias, S.A." in the amount of EUR 160.000, the TCRS reduced it to EUR 50.000, to which the Lisbon Court of Appeal agreed as well.