• Italy: The Italian Competition Authority (ICA) fines Personal Care Products Cartel

On 15 December 2010, the ICA fined 16 producers of personal care products (i.e. soap, detergent, perfume, cream, toothpaste) a total of € 81 181 335 for operating a cartel in Italy between 2000 and 2007 which infringed both national and European competition rules.

The investigation, which was opened following a leniency application, showed that from 2000 up to 2007, 16 of the biggest undertakings operating in the manufacturing and retailing of cosmetic products (Unilever Italia Holdings, Colgate-Palmolive, Procter&Gamble, Reckitt-Benckiser Holdings (Italia), Sara Lee Household & Body Care Italy, L'Oreal Italia, Società Italo Britannica L.Manetti-H.Roberts & Co, Beiersdorf, Johnson & Johnson, Mirato, Paglieri Profumi, Ludovico Martelli, Weruska&Joel, Glaxosmithkline Consumer Healthcare, Sunstar Suisse) coordinated their actions as regards the wholesale prices of such products. The ICA’s investigation found that the companies participating in the cartel achieved a general alignment of price increases for personal care products, which was above the inflation rate and was unrelated to increases in production costs. An important role in the cooperation between the cartel participants was played by the Italian Association of Branded Products Industries - Centromarca (Associazione Italiana dell’Industria di Marca) which provided its continuous support to its members by facilitating the widespread and detailed exchange of information.

Henkel, which reported the cartel to the ICA under its leniency program, was exempted from penalties. Colgate-Palmolive and Procter & Gamble, who cooperated with the ICA’s investigation and provided important information, benefitted from fine reductions of 50 and 40 % respectively.

See further: http://www.agcm.it/concorrenza/intese-e-abusi/open/41256297003874BD/463FF11B7E169832C125780F003E49F7.html