

EXCHANGE OF INFORMATION AMONG COMPETITORS: CADE INTENSIFIES ENFORCEMENT AND BROADENS THE SCOPE OF INVESTIGATIONS

New investigation in the fragrances sector, expansion of the concept of “competitors,” and public consultation on a CADE guide reinforce the need for preventive compliance

New CADE Investigation – Fragrances Market

On July 17, 2026, CADE initiated **Administrative Proceeding No. 08700.011623/2025-99** against **companies in the fragrances sector** and six individuals for alleged coordination through the exchange of commercially sensitive information between at least **2019** and **2023**. The conduct was allegedly facilitated through messaging groups, in-person and remote meetings, phone calls, and emails. The case illustrates CADE's growing focus on information exchange as a **standalone violation**, regardless of an express agreement among competitors.

Overview – Key Ongoing Investigations

In addition to the case mentioned above, CADE is already conducting several investigations in which the exchange of information is treated as a standalone conduct (a violation independent of a formal agreement):

- Three investigations relating to the exchange of HR data (salaries and benefits):
 - Proceeding 08700.004548/2019-61 (“Medtech” case): 35 large companies in the medical equipment and related healthcare services sector, and more than 100 HR professionals and executives of these companies.
 - Proceeding 08700.000992/2024-75 (“GECON” case): 31 large consumer goods companies.
 - Proceeding 08700.001198/2024-49 (“GES/GEAB” case): 33 multinational companies from various sectors.
- Proceeding 08700.000478/2024-30: exchange of information on technology and innovation, involving major automakers.
- Proceeding 08700.000171/2019-71: exchange of information in the aviation insurance/reinsurance market, such as data regarding insurance policies/risk placements for aviation and aerospace — the SG/CADE recently recommended the conviction of 5 legal entities and 7 individuals, and the dismissal of claims against 5 other legal entities and at least 10 individuals.
- Proceeding 08700.006386/2016-53: exchange of information in the independent automotive replacement parts market involving 28 companies and at least 66 individuals — the SG/CADE recently recommended the conviction of several companies and individuals, and the dismissal of claims against others.

★ Highlights & Trends

- CADE's radar extends far beyond price and volume: it includes salary and benefits data, R&D strategies, technology customization, technical specifications, among others. Such information is indicated as presumptively sensitive in the **draft Guide on Collaboration Among Competitors**, which was recently subject to public consultation and is expected to be published soon. The draft also sets out risk assessment criteria, such as the frequency of the exchange, degree of aggregation, market concentration, and the use of AI/automated tools. The initiative reinforces the institutional concern and signals imminent regulatory developments.
- The concept of “competitors” is being broadly interpreted: **companies from distinct sectors may be treated as competitors**, for example, in the hiring market (labor market).
- Although there is no precedent for a standalone conviction for information exchange in Brazil, the number of investigations is growing, and there are already **numerous settlement agreements entered into by companies investigated** in ongoing proceedings before CADE, in which they confessed their participation in the conduct and paid significant pecuniary contributions to terminate the investigations against them.

Alert – Corrective and Preventive Measures

The set of developments (new investigation, increase in cases, settlement agreements, and public consultation on the guide) reinforces the importance of:

- Reviewing practices** in any interactions with competitors, including trade associations, employer unions, and sectoral initiatives for sustainability and ESG purposes, in order to identify potential risk situations and assess corrective and mitigating measures.
- Implementing or updating competition compliance policies** that specifically address the exchange of information among competitors, including HR and R&D/technology data, not only price and volume.
- Conducting periodic training** with practical day-to-day scenarios, updated in line with the evolution of CADE's enforcement approach.

The Antitrust team at TozziniFreire is closely monitoring the evolution of this topic and remains available for clarification and support in structuring corrective and preventive measures.



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