

Compagnie générale des établissements Michelin

v

European Commission

Judgment of the General Court (Second Chamber) of 9 July 2025

(Competition – Agreements, decisions and concerted practices – Administrative procedure – Decision ordering an inspection – Article 20(4) of Regulation (EC) No 1/2003 – Subject matter and purpose of the inspection – Obligation to state reasons – Sufficiently serious indicia – Protection of privacy – Judicial review)

1. Action for annulment – Review of legality – Criteria – Decision of the Commission ordering an inspection – Unlawfulness occurring in the context of implementing that decision – No impact on the legality of the decision ordering the inspection

(Art. 263 TFEU; Council Regulation No 1/2003, Art. 20(4))

(see paragraphs 19, 20)

2. Competition – Administrative procedure – Commission's power of inspection – Decision ordering an inspection – Obligation to state reasons – Scope – Obligation to state the subject matter and purpose of the inspection – Obligation to indicate precisely the relevant market – None – Obligation to make a legal categorisation of the assumed infringements – None – Obligation to state the suspected infringement period – None

(Art. 101 TFEU; Council Regulation No 1/2003, Art. 20(4))

(see paragraphs 24-48)

3. Competition – Administrative procedure – Commission's power of inspection – Right to inviolability of the home – Decision ordering an inspection – Observance of the principle of proportionality – Obligation on the Commission to have sufficiently strong evidence for suspicion of infringement – Obligation to disclose that evidence – None

(Council Regulation No 1/2003, Art. 20(4))

(see paragraphs 51-58, 74-84)

4. Competition – Administrative procedure – Commission's power of inspection – Decision ordering an inspection – Obligation to state reasons – Scope – Clear specification of the sufficiently strong evidence for suspicion of infringement – Judicial review

(Council Regulation No 1/2003, Art. 20(4))

(see paragraphs 78-84)

5. Competition – Administrative procedure – Commission's power of inspection – Right to inviolability of the home – Obligation on the Commission to have sufficiently strong evidence for suspicion of infringement – Tenor of the evidence justifying the decision to inspect – Statements made publicly by an undertaking intended to suggest to its main competitors the pricing strategies to be adopted – Sufficiently strong evidence of price coordination during a main period – Lack of sufficiently strong evidence as regards the earlier period – Infringement of the right to inviolability of the home

(Council Regulation No 1/2003, Art. 20(4))

(see paragraphs 106-154, 190)

6. Competition – Administrative procedure – Commission’s power of inspection – Recourse to an inspection decision – Discretion of the Commission – Limits – Observance of the principle of proportionality – Risk of concealment or destruction of evidence – Necessity of the inspection

(Council Regulation No 1/2003, Art. 20(4))

(see paragraphs 156-158, 162-172, 176, 177)

Résumé

The General Court annuls in part the decision of the European Commission ([1](#)) ordering Compagnie générale des établissements Michelin (‘Michelin’) to submit to an inspection concerning its potential participation in anticompetitive agreements or practices in the tyres sector. In so doing, it recalls the criteria for assessment of the serious nature of the indicia capable of substantiating such a decision.

On 10 January 2024, suspecting anticompetitive practices relating to the coordination of prices by the main tyre manufacturers in the European Economic Area (EEA), the Commission adopted, as part of an investigation opened *ex officio*, a decision ordering Michelin to submit to an inspection (‘the contested decision’). That decision was adopted pursuant to Article 20(4) of Regulation No 1/2003 ([2](#)) on the implementation of the rules on competition, which define the Commission’s powers in relation to inspections.

Between January and March 2024, the Commission carried out the inspection at Michelin’s premises. In that context, it visited offices, collected equipment (laptops, mobile telephones, tablets, storage devices), interviewed a number of people and copied the contents of the equipment collected.

By its action before the Court, Michelin seeks the annulment of the contested decision, relying, first, on infringement of the obligation to state reasons and, secondly, on infringement of the right to inviolability of the home.

Findings of the Court

As a preliminary point, the Court observes that some of the applicant’s arguments relate to the conduct of the inspection carried out by the Commission to give effect to the contested decision. In that regard, it finds that an undertaking cannot rely on the illegality of the conduct of the inspection procedures to contest the legality of the measure on the basis of which the Commission conducted that inspection.

That said, Michelin draws attention to the conduct of the inspection solely to illustrate the lack of clarity or of precision vitiating the statement of reasons or the extent of the interference authorised by a decision ordering the inspection. It is therefore from that perspective that the Court assesses the arguments relied on in support of the pleas for annulment of the contested decision.

The Court examines, in the first place, the plea alleging that the contested decision does not satisfy the obligation to state reasons set out in Article 296 TFEU. It observes first of all that the statement of reasons for a measure of the European Union must be appropriate to the measure at issue and must disclose in a clear and unequivocal fashion the reasoning followed by the institution which adopted it. It is not necessary for the reasoning to specify all the relevant facts and points of law, since that reasoning must be assessed with regard not only to its wording but also to its context and to all the legal rules governing the matter in question.

In competition matters, Regulation No 1/2003 confers inspection powers on the Commission so that it can perform its task of protecting the internal market from distortions of competition and of penalising any infringements of the competition rules on that market. It is apparent from Article 20(4) of that regulation that the Commission’s inspection decisions must indicate, *inter alia*, the subject and the objective of the inspection. That obligation to state specific reasons constitutes a fundamental requirement not only to show that the intervention envisaged within the undertakings concerned was

proportional, but also to put those undertakings in a position to understand the scope of their duty to cooperate, while at the same time preserving their rights of defence.

However, provided that the inspection decision contains those essential elements, it is not essential that it defines the relevant market precisely, sets out the exact legal nature of the suspected infringements or indicates the period during which those infringements were committed. Since the inspections take place at the beginning of an investigation, the Commission still generally lacks precise information to make a specific legal assessment and must first of all verify the accuracy of its suspicions and the scope of the incidents which have taken place.

In the light of those principles, the Court analyses Michelin's claims that the use of the words 'and/or', 'in particular', 'including' and 'at least' in the contested decision makes the material and the temporal scope of the suspected infringement ambiguous, unjustified or unreasonable.

It observes that the use of the alternative construction 'and/or' in the description of the form taken by the suspected coordination (anticompetitive agreements and/or concerted practices) does not have any particular consequence for the applicant, since the exact legal nature of the suspected coordination, whether an agreement between undertakings or a concerted practice, is dependent on an assessment which cannot be required when the inspection decision is drafted.

As regards the use of the words 'in particular' or 'including' to describe the Commission's suspicions, their use makes it easier to understand the statements in which they appear, that is to say, a coordination of prices, 'in particular wholesale prices', and exchanges of commercially sensitive information 'including via generally accessible public channels'. Those words enable the applicant to gain a better understanding of what it is alleged to have done. They illustrate the substance of the suspected coordination, whilst explaining that the examples provided are not exhaustive indications of the material scope of the suspected infringement.

Lastly, by stating that the conduct began 'at least' during a main period and that evidence points to prior coordination 'at least' during an earlier period, the Commission provided, on its own initiative, certain indications as to the temporal scope of the suspected coordination. Those indications, which form part of the statement of reasons, thus allow the view to be taken that the applicant was not in a situation in which it was prevented from understanding the Commission's suspicions clearly and, therefore, was denied the opportunity to protect its rights of the defence fully.

Thus, under Article 296 TFEU, the statement of reasons for the contested decision enables the applicant to ascertain the reasons for the measure adopted and the Court to exercise its power of review. It also indicates, in accordance with Article 20(4) of Regulation No 1/2003, the subject and the objective of inspection in a sufficient manner.

The Court addresses, in the second place, the plea alleging infringement of the right to inviolability of the applicant's home.

It begins by recalling that a legal person may rely on that right, which forms part of the protection of privacy. The need for protection against arbitrary or disproportionate intervention by the public authorities in the sphere of private activities of a person is a general principle of EU law, which is expressed in Article 7 of the Charter of Fundamental Rights of the European Union ('the Charter'). Article 52(1) of the Charter states in that regard that any limitation on the exercise of that right must be provided for by law and respect both the essence of that right and the principle of proportionality.

In practice, the purpose of a decision ordering an inspection must be to gather the documentation needed to verify the reality and the scope of specified situations of fact and of law in respect of which the Commission already has information, which constitutes reasonable grounds for suspecting an infringement of the competition rules. Having such grounds is thus a prerequisite for the Commission to order an inspection pursuant to Article 20(4) of Regulation No 1/2003.

In addition, since the statement of reasons for a decision ordering an inspection circumscribes the powers conferred on the Commission's agents, a search may be made only for those documents coming within the scope of the subject matter of the inspection. Such a decision cannot therefore be worded in terms that would extend that scope beyond that which arises from the reasonable grounds which the Commission had at its disposal when it adopted the decision.

Having recalled those points, the Court examines whether the contested decision is arbitrary, as alleged by the applicant.

In that regard, it observes first of all that a decision ordering an inspection does not necessarily have to refer to all the information in the Commission's possession at that stage of the investigation, since a balance must be struck between preserving the effectiveness of the investigation and upholding the rights of the defence of the undertaking concerned.

Thus, the Commission is obliged to indicate in the inspection decision, as precisely as possible, the suspicions which it intends to investigate, that is to say, the evidence sought and the matters to which the investigation must relate. However, it cannot be required also to indicate the evidence, that is to say, the indicia leading it to consider that Article 101 TFEU has possibly been infringed.

In the present case, the Commission cannot therefore be criticised for having stated that it '[had] information' and 'evidence' relating to the suspected coordination or to certain aspects of it without providing further information about the nature, form, date and originator of that information and evidence.

The Court's analysis goes on to consider the sufficiently serious nature of the indicia submitted by the Commission to justify the contested decision.

The Court observes, as a preliminary point, that when the undertaking which is the recipient of an inspection decision produces some evidence casting doubt on whether the Commission had reasonable grounds, the Court must examine those grounds and determine whether they are reasonable.

That in-depth, post-inspection judicial review of legality is capable of offsetting the lack of prior judicial authorisation and ensuring the compatibility of the inspection measure with the fundamental right to inviolability of the home. Its purpose is not to ascertain whether the corresponding indicia can establish, and not just be grounds for suspecting, the existence of the suspected anticompetitive conduct, as such a question is as yet premature at that stage of the investigation.

Unlike evidence of an infringement, indicia forming the basis of a decision ordering an inspection do not have to demonstrate the existence or the content of an infringement, unless the powers of investigation conferred on the Commission are to be entirely deprived of their purpose. Therefore, the fact that the evidence held by the Commission may be subject to different interpretations does not preclude it from constituting reasonable grounds, since the interpretation favoured by the Commission is plausible.

The Court also observes, first, that the various indicia on the basis of which an infringement can be suspected must not be assessed separately but as a whole, and can be mutually corroborative. Secondly, the context of the present case is that of a case in the preliminary investigation stage, that is to say, at a time when the Commission has not yet taken a view on whether the suspected infringement actually exists and the applicant enjoys the presumption of innocence.

In the present case, the Commission provided in the defence explanations and material elements to enable the Court to determine whether the Commission had reasonable grounds to support its suspicions and to justify the inspection, which facilitated the review by the Court. In the light of those elements, the Court concludes that the Commission had reasonable grounds solely as regards the coordination suspected during the main period, and not the earlier period to which the contested decision refers. The contested decision must therefore be annulled in part in that respect.

Lastly, the Court rejects the complaint alleging infringement of the principle of proportionality. It recalls in that regard that that principle is a general principle of EU law pursuant to which measures adopted by the EU institutions are not to exceed the limits of what is appropriate and necessary in order for the desired objective to be attained. However, when there is a choice between several appropriate measures, recourse must be had to the least onerous one, and the disadvantages caused must not be disproportionate to the aims pursued.

In the case of an inspection decision, that principle presupposes that the intended measure does not constitute, in relation to the aim pursued, a disproportionate and intolerable interference. Specifically, the Commission's choice between a request for information and an inspection ordered by a decision does not depend on matters such as the particular seriousness of the situation, extreme urgency or the need of absolute discretion, but rather on the need of an appropriate inquiry. Therefore, where a decision ordering an inspection is intended solely to enable the Commission to gather the information needed to assess whether the Treaty has been infringed, such a decision is not contrary to the principle of proportionality.

In the present case, the Commission could not rule out the existence of a risk of the evidence sought being concealed or destroyed. The applicant has not demonstrated, first, that the contested decision is not necessary as there was no risk in respect of the evidence and recourse could have been had to a less onerous measure or, secondly, that that decision gave rise to excessive harmful consequences.

In the light of the foregoing, given the absence of sufficiently serious indicia to support the suspicions concerning the period preceding the main period, the Court annuls the contested decision in part in that regard on account of its arbitrary nature and of the corresponding infringement of the applicant's right to respect for its home and its communications. It dismisses the action as to the remainder.

([1](#)) Commission Decision C(2024) 243 final of 10 January 2024 ordering Compagnie Générale des Établissements Michelin, and all companies directly or indirectly controlled by it, to submit to an inspection in accordance with Article 20(4) of Council Regulation (EC) No 1/2003 (Case AT.40863 – Hoops).

([2](#)) Council Regulation (EC) No 1/2003 of 16 December 2002 on the implementation of the rules on competition laid down in Articles [101 and 102 TFEU] ([OJ 2003 L 1, p. 1](#)).