

## **Petreski, Sonya**

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**From:** Cartel Information Network  
**Sent:** Monday, 3 September 2012 11:00 AM  
**To:** Petreski, Sonya  
**Subject:** FW: ACCC Cartel Information Network Update [SEC=UNCLASSIFIED]

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**From:** Cartel Info Service  
**Sent:** Tuesday, 19 October 2010 5:12 PM  
**Subject:** ACCC Cartel Information Network Update [SEC=UNCLASSIFIED]

19<sup>th</sup> October 2010

### **ACCC Cartel Information Network (CIN)**

Dear CIN members,

Welcome to the ACCC's *Cartel Information Network*. This newsletter is designed to help you be aware of the way cartels operate so that you can identify and avoid cartel conduct.

Cartel conduct adversely affects consumers as cartels generally result in higher prices and reduced choice of products and services. Cartel conduct also affects the large majority of businesses who are committed to lawful competition and fair trading.

It is important for you to remain up-to-date with key information about cartels and the way they operate to minimise the risk of your organisation being the target of a cartel or inadvertently becoming involved in cartel or other anti-competitive conduct.

This edition of the *Cartel Information Network* provides a summary of new bid rigging recognition and deterrence guidelines issued by the New Zealand Commerce Commission as well as an international example of price fixing which illustrates the inherent risk of anti-competitive conduct occurring at industry association events.

#### **Guidelines on recognising and deterring bid rigging released by NZ Commerce Commission**

The NZ Commerce Commission recently released three resources to assist purchasers in both the **public** and **private** sectors in recognising and avoiding bid rigging. There are also tips on how tender processes can be designed so that bid rigging can be prevented.

#### *Related Documents:*

- [Guidelines for Procurers How to Recognise and Deter Bid Rigging](#)
- [How to Deter Bid Rigging fact sheet](#)
- [How to Recognise Bid Rigging fact sheet](#)

#### **European Union issues fines for companies who used Industry associations to form cartel**

The European Union recently issued 17 bathroom equipment manufacturers from six countries with fines totaling €622m (\$874m AUD) for their involvement in a price-fixing cartel for more than a decade.

From 1992 until 2004, acting through various trade associations, the 17 undertakings fixed prices – for baths, sinks, taps and other bathroom fittings – across Germany, Austria, Italy, France, Belgium and the Netherlands. US company, Masco, blew the whistle on the cartel and, as a result, received full immunity from fines under the Commission's leniency programme (click [here](#) to view the ACCC's own immunity policy). Ideal

Standard and the German company, Grohe, co-operated with the Commission's investigation, leading to a 30% reduction in their fines.

This case illustrates the importance for industry associations to be aware that by bringing together individual businesses within an industry there is a risk that the association and members may breach the Trade Practices Act if they come to anti-competitive agreements. Businesses need to be aware of their rights and obligations under the Act, in their dealings with suppliers, competitors and consumers. The recent release of the publication entitled *Industry associations and the Trade Practices Act* provides a summary of the key provisions of the Act that businesses need to be aware of and provides guidance on how to ensure they abide by the provisions of the Act in all of their business dealings.

Printed copies of the publication can be ordered from the ACCC Infocentre or the ACCC website <http://www.accc.gov.au/industryassociations>.

### **Further information**

In addition to this newsletter, the ACCC has a number of resources available to you which explain the way cartels operate and provide advice on how to identify and avoid cartel conduct, including specific guides for both government procurement officers and businesses. To obtain copies of either of these publications, to seek further information on cartel conduct or to report a suspected cartel, contact the ACCC Infocentre on **1300 302 502** or go to the ACCC website <http://www.accc.gov.au/cartels>.

*Please feel free to pass this information on to others who might find it useful.*

*Kind regards,*

Australian Competition & Consumer Commission



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