

CMA issues fines of over £9m for roofing lead cartel

Press release

The CMA has imposed fines totalling more than £9m on 2 of the UK's largest suppliers of rolled lead, for breaking competition law.



Following an investigation into suspected cartel conduct, the Competition and Markets Authority (CMA) found that Hertfordshire-based firms, Associated Lead Mills Ltd (ALM) and H.J. Enthoven Ltd (trading as BLM British Lead), had broken the law by entering into anticompetitive arrangements. Both firms [admitted their roles in the illegal cartel](#) earlier this year and now face fines of £1.5m and £8m respectively.

Previously, the CMA had provisionally found that a third company, Calder Industrial Materials Ltd, had become involved at a later stage in one of the arrangements, but the CMA has now determined that there are no grounds for action in respect of this firm. The CMA has therefore closed its investigation in relation to this company.

The CMA's findings follow a thorough review of the evidence, including the written and oral representations submitted by the businesses.

Rolled lead is an important product for the UK construction industry, used mainly for roofing. ALM and BLM are 2 of the largest players in the market.

The 4 anticompetitive arrangements took place between October 2015 and April 2017 and included colluding on prices, sharing the rolled lead market by arranging not to target certain customers, and arranging not to supply a new business because it risked disrupting the firms' existing customer relationships. Each of the arrangements also included exchanges of commercially sensitive information.

Michael Grenfell, Executive Director of Enforcement at the CMA, said:

These companies knowingly entered into illegal arrangements

restricting competition between them. Such anticompetitive arrangements tend to inflate prices and cheat customers out of a fair deal. The CMA does not tolerate such behaviour.

Construction is a sector firmly under our spotlight and if businesses break the law by entering into anticompetitive arrangements, they run the risk of large fines.

Notes to editors:

1. Media queries should be directed to press@cma.gov.uk or 020 3738 6460
2. The investigation is under the Chapter I prohibition the Competition Act 1998 (CA98) and Article 101 of the Treaty on the Functioning of the European Union (TFEU). As explained in the CMA's guidance, [UK Exit from the EU: Guidance on the functions of the CMA under the Withdrawal Agreement](#), the UK will continue to apply Article 101 TFEU where applicable until the end of the Transition Period.
3. The decision is addressed to the following parties, which the CMA has found were directly involved in the infringements or are liable as parent companies of the undertakings directly involved: Associated Lead Mills Limited, Royston Sheet Lead Limited (previously Jamestown Metals Limited) (along with their parent company International Metal Industries Limited); and H.J. Enthoven Limited, trading as BLM British Lead, (along with its parent company Eco-Bat Technologies Limited)
4. The final fines for each of the firms are: ALM – £1,510,228, BLM – £8,076,504. In calculating financial penalties (fines), the CMA takes into account a number of factors including seriousness and duration of the infringement, turnover in the relevant market, any mitigating and/or aggravating factors, deterrence and the proportionality of the penalty relative to each company's individual circumstances. Differences in fines should not be taken to indicate relative culpability.
5. ALM and BLM were handed reduced fines as settling parties which admitted their involvement in cartel activity. Parties under investigation may enter into "settlement" if they are prepared to admit that they have breached competition law and are willing to agree to a streamlined administrative procedure for the remainder of the investigation. In return, the CMA imposes a reduced fine on the business where settlement would achieve clear efficiencies, resulting in the earlier adoption of any infringement decision and resource savings.
6. Anyone who has information about a cartel is encouraged to call the CMA cartels hotline on 020 3738 6888 or email cartelshotline@cma.gov.uk. More information about the case is available on the [case page](#).

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