

Press release: 3 major UK construction suppliers in provisional cartel finding

Rolled lead is an important product for the construction industry, used mainly for roofing.

The Competition and Markets Authority (CMA) has provisionally found that the three, who account for about 90% of UK rolled lead supplies, entered into a cartel to share the market amongst themselves through, for example, the allocation of customers.

The CMA alleges that the cartel:

- colluded on prices;
- exchanged commercially sensitive information;
- refrained from targeting some of each other's customers; and
- collectively refused to supply another company whose business threatened to disrupt the market sharing arrangement.

The CMA has been investigating Associated Lead Mills Ltd, which has its headquarters in Hoddesdon, Hertfordshire, and its sister company Jamestown Metals Limited, H.J. Enthoven Ltd (trading as BLM British Lead, which has its headquarters in Welwyn Garden City, Hertfordshire) and Calder Industrial Materials Ltd, since July 2017. Calder's headquarters are based in Chester, Cheshire.

In a statement of objections issued today, the CMA sets out its provisional findings that the 3 suppliers entered into this anti-competitive arrangement which broke competition law.

Michael Grenfell, the CMA's Executive Director for Enforcement, said:

These are the 3 biggest suppliers of rolled lead in the UK, between them making up about 90% of supplies. Their products are in everyday use by builders, especially for roofing of both homes and businesses across the UK.

After a thorough investigation, the CMA has today provisionally found that these three companies colluded among themselves to share out the market. The CMA hopes that this provisional finding will send a strong reminder that companies need to follow competition laws. These are crucial to protecting customers from paying more for products than they should do.

The CMA's findings are, at this stage in its investigation, provisional and do not necessarily lead to a decision that the companies have breached

competition law. The firms now have the opportunity to consider the detail of the CMA's provisional findings and respond to it. The CMA will carefully consider any representations made before issuing its final findings as to whether the law has been broken.

Tackling cartels is a fundamental part of the CMA's work. Some recent examples of the CMA's action against cartels include: [fining 2 of the main suppliers of bagged charcoal and coal for households](#) in the UK over £3.4 million for taking part in a market sharing cartel and [fining water tank firms over £2.6 million](#) after they formed a cartel agreeing to fix the price of certain tanks, divide up customers and rig bids for contracts.

The CMA also runs a [Stop Cartels campaign](#), which aims to educate businesses about which practices are illegal and urges people to come forward if they suspect a business has taken part in cartel behaviour, such as fixing prices or rigging contracts. The campaign explains what anti-competitive behaviours are, why they are illegal, what impact they have on the economy and consumers and why they should be reported.

1. The Chapter I prohibition in the Competition Act 1998 prohibits agreements and concerted practices between businesses which have as their object or effect the prevention, restriction or distortion of competition within the UK. Article 101(1) of the Treaty on the Functioning of the European Union (TFEU) covers equivalent anti-competitive agreements and concerted practices which may affect trade between EU member states.
2. Any business found to have infringed these prohibitions can be fined up to 10% of its annual worldwide group turnover, taking into account a range of factors including the seriousness of the infringement and any mitigating or aggravating factors.
3. A statement of objections gives addressees notice of a proposed infringement decision under the Competition Act 1998 and the equivalent EU law prohibitions. The statement of objections is addressed to the following parties, which the CMA provisionally considers were directly involved in the alleged infringements or are liable as parent companies of the undertakings directly involved: Associated Lead Mills Limited, Jamestown Metals Limited and their parent company International Industrial Metals Limited; H.J. Enthoven Limited (trading as BLM British Lead) and its parent company Eco-Bat Technologies Limited; Calder Industrial Materials Limited and its parent company Calder Group Holdings Limited.
4. The statement of objections will not be published. However, any person who wishes to comment on the CMA's provisional findings and who, in the CMA's view, is directly and materially affected by the outcome of the CMA's investigation and is in a position materially to assist the CMA's assessment of the case, may request a non-confidential version of the statement of objections by contacting Eva Nickel (eva.nickel@cma.gov.uk) by 10 April 2019.
5. 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.
6. Enquiries should be directed to the CMA's press team: press@cma.gov.uk,

or 020 3738 6460.

7. More information on this investigation can be found on the [roofing materials investigation case page](#).