

Press release: 5 office fit-out firms to pay £7 million fine for breaking competition law

Following a Competition and Markets Authority (CMA) investigation, each company has admitted to breaking competition law at least once during the period of 2006-2017, in some cases on multiple occasions.

The firms, based in London and the Home Counties, provide services such as fit-out, design and refurbishment of commercial and non-residential premises. Office fit-out is part of the construction sector.

Each company has admitted to participating in “cover bidding” in competitive tenders, colluding on the prices they would bid for contracts. Typically, cover bidding involves companies agreeing with each other to place bids that are deliberately intended to lose the contract, thereby reducing the intensity of competition. This type of illegal behaviour can lead to customers paying an artificially inflated price or receiving poorer quality services.

These cover bids affected 14 contracts with a variety of customers, ranging from a City law firm to a further education college.

The 5 companies have formally admitted that their actions constituted a breach of competition law. They have therefore agreed to pay the following fines that reflect a number of factors including the companies’ size and financial position, and their role in the cartel behaviour:

- Fourfront has agreed to pay £4,143,304
- Loop has agreed to pay £1,090,816
- Coriolis has agreed to pay £7,735
- ThirdWay has agreed to pay £1,780,703
- Oakley has agreed to pay £58,558

Andrea Coscelli, the CMA’s Chief Executive, said:

The CMA is concerned it is seeing a lot of evidence of anti-competitive conduct in the construction industry, and we have already taken a number of cases in this sector. Today’s fines reinforce the message that the CMA will not tolerate competition law being broken.

As shown by the total of £7 million in fines agreed today, we will not turn a blind eye to illegal behaviour and we will impose penalties where we find laws have been broken. This can include seeking disqualification of company directors.

Any business found to have infringed the Competition Act 1998 can be fined up to 10% of its annual worldwide group turnover, and directors of the companies concerned can be banned from holding directorships for up to 15 years.

The CMA runs a [Leniency Programme](#) to encourage businesses and individuals to come forward with information about their involvement in a cartel. Businesses which come forward and co-operate with the CMA may be granted immunity from penalties or a significant reduction. In this case, JLL brought information about the conduct to the CMA's attention and, in accordance with the CMA's Leniency Programme, will therefore not receive a fine. Under the Leniency Programme, Loop will receive a 25% discount to its fine for coming forward with information about its participation in the cartel behaviour, and co-operating with the CMA.

Further information can be found on the [design, construction and fit-out services](#) case page.

Notes to Editors

1) The CMA is the UK's primary competition and consumer authority. It is an independent non-ministerial government department with responsibility for carrying out investigations into mergers, markets and the regulated industries and enforcing competition and consumer protection laws. For CMA updates, follow us on [Twitter](#), [Facebook](#), and [LinkedIn](#).

2) A Statement of Objections has been issued to the parties today, setting out the CMA's provisional decision that there has been an infringement. The addressees of the CMA's Statement of Objections and the nature of their admissions are:

Undertaking	Addressee	Fine	Admissions of cover bidding	Of which it acted as a leader or instigator in
Fourfront	Area Sq Limited, Cube Interior Solutions Limited, Fourfront Group Limited, Fourfront Holdings Limited	£4,143,304	10 instances (8 involving Area Sq Limited and 2 involving Cube Interior Solutions Limited)	4
Loop	Loop Interiors Limited, Loop Interiors London LLP	£1,090,816 (inclusive of a 25% discount for leniency)	5 instances	1
Coriolis	Coriolis Projects Limited	£7,735	2 instances	None
ThirdWay	ThirdWay Interiors Limited, The ThirdWay Group Limited	£1,780,703	1 instance	None

Undertaking	Addressee	Fine	Admissions of cover bidding	Of which it acted as a leader or instigator in
Oakley	Oakley Interiors Limited	£58,558	1 instance	None
JLL	Jones Lang LaSalle Inc., Bluu Solutions Limited, Bluuco Limited, Tetris Projects Limited	No fine (immunity under leniency)	12 instances (10 involving Bluu Solutions Limited and 2 involving Tetris-Bluu Limited)	7

Jones Lang LaSalle Inc. acquired Bluu Solutions Limited and Bluuco Limited in 2015.

3) A party under investigation may enter into “settlement” if it is prepared to admit that it has breached competition law and is willing to agree to a streamlined administrative procedure for the remainder of the investigation. In return, the CMA imposes a reduced penalty fine on the business where settlement would achieve clear efficiencies, resulting in the earlier adoption of any infringement decision and/or resource savings. Fourfront, Loop, Coriolis, ThirdWay and Oakley have settled the case with the CMA and therefore, in calculating the above fines, a discount of 20% was applied to the penalty that would otherwise have been imposed, to reflect the resource savings to the CMA in this particular case as a result of the companies’ admission and agreement to a streamlined administrative procedure.

4) Anyone who has information about a cartel is encouraged to contact the CMA by using our [online form](#), calling the cartels hotline on 020 3738 6888 or email cartelshotline@cma.gov.uk.

5) Media queries should be directed to press@cma.gov.uk, on 020 3738 6460.