

Press release: Heathrow and Arora admit to anti-competitive car park agreement

The fine to be imposed by the Competition and Markets Authority (CMA), comes after its investigation into the airport's agreement with the Arora Group for the lease of Arora's Sofitel hotel at Terminal 5. This included a clause restricting how parking prices should be set by Arora for non-hotel guests.

The CMA investigated whether the pricing restriction prevented the Arora Group from charging non-hotel guests cheaper prices than those offered at other car parks at the airport.

Following its investigation, the CMA has provisionally found that Heathrow and the Arora Group breached competition law. Both parties have formally accepted that this was a breach of competition law and have removed the pricing restriction, with Heathrow agreeing to settle the case and pay a £1.6m fine.

The Arora Group will not be fined, as it was granted immunity for coming forward under the CMA's leniency programme. The programme is designed to encourage companies to co-operate if they think they might be involved in wrong-doing.

As part of its work, the CMA has sent letters to other airports and hotel operators warning against similar anti-competitive agreements.

This is the first time the CMA has taken competition law enforcement action in a case involving a land agreement.

Ann Pope, the CMA's Senior Director for Antitrust, said:

Airport car parking charges are paid by millions of people and any agreements to restrict price competition are not acceptable.

Competition law applies to land agreements at airport car parks in the same way as any other type of business arrangement.

This fine should act as a strong warning to all companies that the CMA will take action to make sure businesses are free to compete on price.

The CMA has a dedicated reporting hotline for cartels (020 3738 6888) and recently launched a [campaign](#) to encourage more people to come forward with information about suspected illegal behaviour.

Notes for editors

1. "Land agreements" refer to agreements between businesses which create, alter, transfer or terminate an interest in land. This case involved written agreements between a freeholder (Heathrow) and its leaseholder (Arora Group).
2. Heathrow's fine was reduced by 20% from £2 million to £1.6 million because Heathrow voluntarily entered into settlement with the CMA.
3. The [Civil Aviation Authority](#) is a concurrent competition authority in relation to Airport Operation and Air Traffic Services. It assisted the CMA in its investigation and will be issuing an Open Letter to airport operators and other relevant parties.
4. Under the CMA's leniency policy, a business that has been involved in a cartel may be granted immunity from penalties or a significant reduction in penalty in return for reporting cartel activity and assisting the CMA with its investigation. Individuals involved in cartel activity may also in certain defined circumstances be granted immunity from criminal prosecution for the cartel offence under the Enterprise Act 2002. Visit our [Leniency Guidance](#) for more information.
5. The CMA operates a rewards policy under which it may pay a financial reward of up to £100,000 in return for information which helps it to identify and take action against cartels.
6. An overview of the investigation can be found on the [case page](#). The investigation was opened on 7 December 2017. The CMA has issued a statement of objections to both companies and has reached a settlement with Heathrow.
7. The anti-competitive behaviour outlined in this press notice is covered by the Chapter I prohibition of the Competition Act 1998.
8. For more information on competition law, see our [homepage](#) and our competition law [guidance](#). People can also follow us on [Twitter](#), [LinkedIn](#) or sign up to our [email alerts](#) to receive updates on Competition Act 1998 and cartels cases.
9. Media enquiries should be directed to press@cma.gov.uk or journalists should call 020 3738 6460. Non-media enquiries should be emailed to general.enquiries@cma.gov.uk