## Press release: South East lawyers asked to help raise competition law awareness

Around 260 law firms headquartered in the South East of England will be encouraged to share the Competition and Markets Authority's (CMA) easy-to-use competition law information with their small and medium-sized enterprise (SME) clients.

The information is intended to help SMEs recognise anti-competitive practices, comply with competition law and report suspicions of illegal anti-competitive activity.

The approach is part of the CMA's ongoing drive to boost awareness of, and compliance with, competition law, following the launch of its <u>competing</u> <u>fairly in business: advice for small businesses</u> materials and the South East of England is the latest region chosen as a target for the awareness-raising drive.

The consequences of breaking competition law can be very serious. Recently, a managing director of an online poster supplier was <u>disqualified</u> for 5 years after the company was found to have been part of an online price-fixing cartel.

Furthermore, businesses can be fined up to 10% of their annual turnover and people involved in cartels can face up to 5 years in prison.

But <u>research</u> shows that businesses' understanding of competition law in the area is low:

- only 59% of businesses surveyed in the South East of England knew that price-fixing can lead to imprisonment
- only 33% of businesses surveyed in the South East of England knew that it is unlawful to set the price at which others can re-sell their product
- only 7% of businesses surveyed in the South East of England had run training sessions on competition law

The CMA has also commissioned <u>further research</u> which revealed that most small businesses have a shared ethical sense that certain anti-competitive practices, such as price-fixing, are unfair or wrong and want to do the right thing.

Ann Pope, CMA Senior Director of Antitrust Enforcement, said:

The victims of anti-competitive activity can often be other businesses, so knowing what illegal behaviour looks like and how to report it can help small and medium-sized businesses protect

themselves.

The potential consequences of breaking the law are very serious. That is why it is important that all businesses know what to look out for and report suspected breaches to the CMA.

Legal advisers to SMEs are ideally placed to help raise awareness of competition law among their clients.

Nikki Burns, Chair of FSB Thames Valley said:

It's good to see the CMA raising awareness among small businesses of the rights they possess under competition law. Anti-competitive practices harm many small businesses across the Thames Valley and the South East.

We must create an environment where all small firms recognise and report anti-competitive behaviour and are not afraid to speak out. Helping small businesses identify all the forms that anti-competitive practices can take is a good starting point.

## Notes for 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 law. For CMA updates, follow us on Twitter @CMAgovuk, Flickr, LinkedIn and Facebook.
- 2. Media enquiries should be directed to Simon Belgard (<a href="mailto:simon.belgard@cma.gsi.gov.uk">simon.belgard@cma.gsi.gov.uk</a>, 020 3738 6472).