

# Press release: CMA continues crackdown on cartels

In the furniture parts case the Competition and Markets Authority (CMA) has [issued 2 decisions](#) finding 3 companies guilty of illegal cartel conduct and imposing fines totalling £2.8 million. This follows the earlier admission by the companies that they had broken competition law by agreeing not to compete on price and sharing out which customers they would supply – reducing customer choice and giving the appearance of competition where there was none.

Separately, the CMA is also publishing the [full text of its final decision](#) in its case against 5 model agencies and their trade association, which were fined over £1.5 million for colluding on prices.

Stephen Blake, Senior Director for Cartels, said:

Today's announcements highlight the CMA's drive to crack down on cartels, which cheat customers of the benefits of competition, as well as damaging the wider economy.

The announcements also come soon after the launch of our [first advertising campaign](#), specifically designed to encourage those who have witnessed or been involved in cartel activity to report it and help us keep business fair.

Without this kind of help, illegal cartel activity may go undetected for years, causing real harm to consumers, businesses and the economy.

Today's decisions in the furniture parts case follow [January's announcement](#) that Thomas Armstrong (Timber) Ltd and Hoffman Thornwood Ltd had agreed to pay fines totalling over £2.8 million after admitting market sharing, co-ordinating prices, bid-rigging and exchanging commercially sensitive information. Another company, BHK (UK) Ltd, also confessed its involvement in cartel activity shortly after the start of the investigation, and has not been fined as it was the first to come forward under the CMA's leniency policy.

- In one decision, the CMA found that between April 2006 and September 2008 BHK (UK) Ltd and Thomas Armstrong (Timber) Ltd took part in an illegal cartel in respect of the supply of chipboard and MDF based drawer wraps to the UK bedding, office and domestic furniture industry.
- In the second, the CMA found that between July 2006 and September 2008, and between at least September and October 2011, Thomas Armstrong

(Timber) Ltd and Hoffman Thornwood Ltd took part in an illegal cartel in relation to the supply of chipboard and MDF based drawer fronts to the UK bedding industry.

The CMA's investigation into these companies was launched on the basis of information provided to the CMA's dedicated [cartels hotline](#).

Last week the CMA launched its first [advertising campaign](#) to encourage people who have witnessed or participated in illegal cartel activity to report it so it can take action to stamp it out.

## Notes for editors

1. The Competition Act 1998 prohibits agreements, practices and conduct that may have a damaging effect on competition in the UK. The Chapter I prohibition covers anti-competitive agreements and concerted practices between businesses ('undertakings') which have as their object or effect the prevention, restriction or distortion of competition within the UK. Article 101 of the Treaty on the Functioning of the European Union (TFEU), covers equivalent agreements or practices which may affect trade between EU member states.
2. Any business found to have infringed the prohibitions in the Competition Act 1998 or the TFEU can be fined up to 10% of its annual worldwide group turnover. In calculating financial penalties, the CMA takes into account a number of factors including seriousness and duration of the infringement(s), turnover in the relevant market and any mitigating and/or aggravating factors.
3. Thomas Armstrong (Timber) Ltd and its parent company Thomas Armstrong (Holdings) Ltd have been fined £1,509,000 for their involvement in the drawer wraps cartel and £684,000 for its involvement in the drawer fronts cartel. The liability of Thomas Armstrong (Holdings) Ltd arises from the fact that it held 99.95% of the shares in Thomas Armstrong (Timber) Ltd during the relevant period, and is therefore presumed to have exercised decisive influence over Thomas Armstrong (Timber) Ltd and to form part of the same 'undertaking'.
4. Hoffmann Thornwood Ltd and its parent company Consolidated Timber Holdings Ltd have been fined £625,000 for their involvement in the drawer fronts cartel. The liability of Consolidated Timber Holdings Ltd arises from the fact that it held 100% of the shares in Hoffman Thornwood Ltd during the relevant period, and is therefore presumed to have exercised decisive influence over Hoffman Thornwood Ltd and to form part of the same 'undertaking'.
5. The fines imposed include a discount to reflect savings to the CMA resulting from the companies' admissions and co-operation with the investigation. The non-confidential version of today's infringement decisions, including the basis for the calculation of the fine, will be published on the [case page](#) in due course following the redaction of commercially sensitive information.
6. Further information on the model agency case, including a link to the CMA's published decision may be found on the [case page](#).
7. Anyone who has information about a cartel is encouraged to call the CMA

- cartels hotline on 020 3738 6888 or email [cartelshotline@cma.gsi.gov.uk](mailto:cartelshotline@cma.gsi.gov.uk).
8. 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. An undertaking may qualify for immunity or a reduced penalty where it comes forward after the start of an investigation, has a genuine intention to confess that it has engaged in cartel conduct, and provides information that adds significant value to the CMA's 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.
  9. The CMA also 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 illegal cartels.
  10. An individual or business affected by the anti-competitive behaviour in this case can rely on the CMA's infringement decision if making a claim in the courts for damages against the companies concerned. The level of any damages awarded will be for the court to determine.
  11. 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 more information see the [CMA's homepage](#).
  12. The CMA crackdown on cartels campaign webpage is: <https://stopcartels.campaign.gov.uk/>
  13. For CMA updates, follow us on Twitter [@CMAgovuk](#), [Flickr](#) and [LinkedIn](#).
  14. Enquiries should be directed to Simon Belgard on 0203 738 6472 or [press@cma.gsi.gov.uk](mailto:press@cma.gsi.gov.uk).
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## **[News story: VMD on social media](#)**

We are now on Twitter and Facebook.

Look out for our tweets about forthcoming VMD news and events from [@vmdgovuk](#). In line with standard practice across Government we will not be replying to tweets. But we will be retweeting our stakeholders' messages and we'd like people to follow us too.

Our Facebook page is primarily to help us stop people trading veterinary medicines illegally by having Facebook remove such posts and to deter such criminal activity.

GOV.UK will remain our main channel for the important information you need to know about veterinary medicines. Social media messaging is not replacing this.

We will publish the VMD's protocol on social media on GOV.UK.

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## [News story: Government commits to drawing up new guidance to support working mothers of premature babies.](#)

- Guidelines will include advice on flexible working and requests for additional time off
- Key stakeholders will be invited to provide their views on best practice
- Guidance to be published on ACAS website shortly

To mark Mother's Day the Government is committing to ensure employers know how best to support working mothers who give birth to premature babies.

The Department for Business, Energy and Industrial Strategy will work with the Advisory, Conciliation and Arbitration Service (ACAS), and invite the views of premature baby charities to develop guidelines for employers on how to support their staff.

While the government expects employers to be compassionate and flexible during this difficult time, the guidance will make it easier for both working parents and employers to access advice.

The guidance will cover everything from how employers can offer flexible working arrangements following a premature birth to how to handle requests for additional time off. ACAS will publish the guidance on its website shortly.

### **Business Minister Margot James said:**

While most employers treat their staff with compassion, it's incredibly important that they know how best to support their staff at what can be a very difficult time for working parents.

New and expectant mothers must feel confident of their rights in the workplace and this new guidance will go some way to offering those reassurances.

The UK's maternity system is one of the most generous in the world. Eligible mothers can take up to 52 weeks of leave and up to 39 weeks of pay.

The Government will keep the impact of these measures under review but does not rule out legislating in the future.

## Further information

1. In 2014, the Government extended the right to ask for flexible working to all employees in work for more than 26 weeks. Previously only parents and carers had a right to request flexible working
2. Around 20 million people are now eligible to apply for flexible working, with an estimated 60,000 people a year already taking advantage of new working arrangements. Employers must have a sound business reason for rejecting any request.
3. Shared Parental Leave was introduced to give working families more flexibility to share childcare responsibilities.

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## Speech: Liam Fox's speech at the Qatar-UK Trade and Investment Conference

Good morning, and welcome to the Qatar-UK Trade and Investment Conference.

We are delighted to have you all here today in London, and tomorrow in Birmingham, in what I hope will begin a new chapter in an already strong relationship.

I would like to start by thanking the Government of the State of Qatar – and in particular, His Excellency Sheikh Abdullah bin Nasser Al Thani and His Excellency Minister Rumaihi – as well as our business participants from Qatar and the UK, and all those who have helped to organise this conference.

Qatar and the UK have enjoyed a long history – a history of cooperation, friendship and ambition.

For decades, our 2 nations have been partners in energy, foreign policy, commerce and trade.

And today, Prime Minister Sheikh Abdullah has led the largest and most senior trade delegation in our history, to the UK.

As well as being a celebration of our existing relationship, it is also, of course, a chance to build upon all we have already achieved, to look to the future as we explore the wealth of opportunities that exist between Qatar and the UK.

This conference will help transform a firm friendship into a long term strategic partnership.

And it is only natural that we should seek to deepen the relationship between our 2 countries.

At an individual level, the bond between the UK and Qatar is strong.

Each year, we welcome around 6,000 young Qataris to study in the UK – both His Highness the Emir and his father before him graduated from the Royal Military Academy Sandhurst.

Over 60,000 Qataris travel to the UK each year – many have homes here in London. It is not hyperbole to say that, for many Qataris, the UK is already something of a home from home. But this relationship is a 2 way street.

I visited Doha twice last year, both within 3 months of becoming the Secretary of State for International Trade.

These were only 2 of a total of 6 ministerial visits that Qatar has received from the UK in the 8 months since this government took office.

Such commitment shows how invaluable our international partnership has been, politically, diplomatically and economically.

Now is the time to deepen that relationship further.

There are 3 key reasons why this is the moment to do so, and why we have gathered here today for this conference.

Firstly, the UK and Qatar both stand on the edge of an exciting future. We are 2 countries looking outwards to the world, ready to embrace global opportunities.

Secondly, we have a proven track record of successful and profitable mutual investment, and we can build upon these returns by expanding that relationship.

And thirdly, the British government, like Qatar, is embarking upon a bold industrial strategy, taking the big investment decisions required on capital projects to stimulate our economy and project our prosperity far into the future.

For the UK, last June, represented a huge opportunity as the British people voted to leave the European Union, where Britain, after 40 years, will now have the chance to create our own trade policy as we pursue a strategy of a truly Global Britain.

We are now opening a new chapter in our history.

The Prime Minister, Theresa May, came to power with the promise to build an open, outward looking nation that is ready to engage with partners across the world.

We are looking beyond the boundaries of our own continent, ready to embrace all the opportunities of this new era.

This of course means forging new ties and building new relationships with other nations.

But perhaps more importantly, it means strengthening our commitment to our oldest friends and allies.

Qatar is one of the most valued of these.

Like your [2030 National Vision](#), Britain's ambition is to build an economy that works for everyone, spreading wealth and opportunity to every corner of our country.

Like Qatar, we want to give all our citizens a stake in our country's future.

Your 2030 National Vision is among the most ambitious plans of its kind in the world.

The UK is looking on in admiration as you work tirelessly to expand your infrastructure, rebalance your economy, and nurture your country's human capital.

Like the UK's Midlands Engine and Northern Powerhouse, Qatar is developing local economic capacity to meet the challenges of the future.

Both Qatar and the UK know that such ambitions cannot be realised unilaterally.

Both nations are looking for reliable international friendships, and seeking to build long-term, committed partnerships able to rise to meet these challenges.

My own Department for International Trade was created to build and maintain these relationships, working to promote exports, attract inward investment, and create an open free trading environment.

We believe that no trade between the UK and Qatar should fail for lack of finance and insurance. That is why the UK government, through UK Export Finance, can give buyers and project sponsors in Qatar attractive long-term finance to make sourcing from the UK more competitive.

We will be doubling the finance available from UK Export Finance to support trade with Qatar to £4.5 billion. That is will be an additional £2.25 billion in support for UK companies exporting to Qatar, and for their Qatari buyers in both the public and private sectors.

In addition, following Autumn Statement 2016, UK Export Finance support will now be available in Qatari Riyal, allowing buyers in Qatar to access finance in their own currency, making the UK's world-leading goods and services even more competitive.

My Department is committed to promoting all mutual trade and investment with Qatar and this conference is proof of that commitment.

Fortunately, our nations are starting from a position of strength.

I have already mentioned our long history of political, diplomatic and

commercial friendship.

Yet more recently, Qatar-UK relations have been characterised by ambitious projects, profitable investments, and a proven track record of successful collaboration.

Most visible has been the £35 billion worth of investment that Qatar has made in the United Kingdom.

Some of the most iconic buildings of our capital city, from The Shard to Number One Hyde Park, stand as testament to the strength of our commercial relationship.

From commercial ports to hotels and hospitality, Qatari investments have made their mark on Britain as successful, profitable ventures.

It is no exaggeration to say that, through these ventures, Qatar has become part of the fabric of our nation.

Yet successful investment has not been a one-way process.

Over 600 UK firms are currently operating in Qatar, in industries from telecoms to education.

In the past decade, Shell has invested almost \$21 billion in your oil industry, making it Qatar's single largest foreign investor.

British firms have also been instrumental in helping Qatar prepare for the 2022 World Cup.

As a nation, we know a great deal about delivering such showcases – since the Sydney Olympics in 2000, there has been a British stamp on every major sporting event.

As we speak, British companies are in Qatar offering skills, knowledge and expertise on everything from stadium design and engineering to players' facilities.

Such success stories illustrate why Qatar and the UK are so economically suited to one another, and why our relationship can only go from strength to strength in the future.

Our industries and skill sets complement one another perfectly; Qatar has vast experience in large-scale construction and engineering projects, while the UK has world leading technology, education, medical and life science industries.

We each possess the skills required to help the other realise our goals, and achieve our national ambitions.

The UK government has put a bold new Industrial Strategy at the heart of its vision for Britain.



It is a keystone of our vision of a Britain that works for everyone – the strategy will help to rebalance our economy, shifting commercial focus to the dynamic, innovative regions of Britain, including Birmingham and the Midlands, where tomorrow's leg of the conference is being held.

It will also work to spread prosperity and opportunity to every corner of our country, developing skills and upgrading our national infrastructure, giving the UK the tools it required to meet the challenges of the future.

We are not shying away from the bold decisions required.

Since coming to office, we have approved the construction of a third runway at Heathrow, published a National Infrastructure and Construction pipeline, and announced more than 720 new infrastructure projects, representing over £500 billion worth of planned public and private investment in the sector.

Of this, over £300 billion will be invested before 2021.

On-going projects such as HS2 will continue to deliver a stream of infrastructure upgrades and expansion across the United Kingdom.

In energy, where Qatar is already a key partner, the UK will continue to expand our capacity.

Our new nuclear power station at Hinkley Point C is the first in a series of projects that will end our overreliance upon coal as an energy source.

Put simply, there has never been a better time to invest in the United Kingdom, or more opportunities available to do so.

The UK has long been recognised as one of the best places in the world to invest.

Not only does our legal and regulatory environment offer security, stability and assurances for investors, but our capital projects consistently offer excellent returns.

I have spoken already of the transformative effect that Qatari investment has had on London, but the greatest opportunities of the coming years will lie outside the capital, particularly in the North of England – a region that last year saw a 24% increase in FDI projects – and the Midlands.

As new transport links cut journey times across our country, these regions will be at the forefront of our economic growth, centres of dynamism and innovation.

Never has there been a more attractive time to invest in the UK.

The UK wants Qatar to be our partner on this journey, just as we will invest in your 2030 National Vision.

When our Prime Minister met with his Highness the Emir at the GCC in December, she made it clear that the UK is seeking a renewed relationship

with all of the Gulf nations.

Yet with few of them do we enjoy the close relationship that we already share with Qatar.

The message of today's conference is simple, yet ambitious.

It is about deepening our friendship, strengthening the bonds of politics, commerce and defence that already bind us, and rising together to meet the challenges of the 21st century.

It is about building a partnership of equals.

Let us use this conference to secure the personal and professional relationships that will deliver for both our nations.

If we work together, there is nothing we cannot achieve.

Thank you.

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## **[Press release: Do you want to make a difference to flood risk in the South West?](#)**

The Environment Agency is looking for enthusiastic applicants from all walks of life to fill a vacancy on the South West Regional Flood and Coastal Committee (RFCC). Being an RFCC member is an exciting opportunity to help guide local flood and coastal management across the whole region.

The South West RFCC covers [Devon, Cornwall and the Isles of Scilly](#).

The successful applicant will play an important role in:

- deciding on local priorities
- approving programmes of work
- supporting the Environment Agency and lead local flood authorities in working with communities and other partners.

They will have a key role in balancing local priorities and making sure that investment is co-ordinated at the river catchment and shoreline scale, as well as promoting the consideration of climate change impacts in local decision making.

The Environment Agency is recruiting for one member to represent nature, conservation and wider environmental issues. This member will need to provide an environmental perspective at meetings, helping the committee to understand

the conservation impact of specific plans or projects.

The member will also:

- monitor and review programmes of flood and coastal risk management work and the conservation issues to be addressed
- provide a link between the committee, Natural England and other conservation organisations in the committee's area.

A key role will be ensuring the aims of the National Flood and Coastal Erosion Risk Management Strategy are embodied within the committee's decisions and to ensure consistency between strategic and local plans.

People from a wide range of backgrounds are invited to apply for this post, especially those from black and minority ethnic backgrounds and women who are currently under-represented on regional flood and coastal committees.

Further information and an application form is [online](#), or from [sarah.harding@environment-agency.gov.uk](mailto:sarah.harding@environment-agency.gov.uk) or call 0203 025 32478 or 07976 256 299.

The closing date for applications is on Wednesday 12 April 2017 at 5.30pm.