

# What is cartel behaviour & why is it illegal?

**WB**  
**UK** WhistleblowersUK

**CMA**  
Competition &  
Markets Authority

FOR IMMEDIATE RELEASE

WhistleblowersUK have partnered up with the CMA to put together a simple introduction to cartels, what cartel behaviour looks like, how to report concerns and what help and support is available.



Markets around the world rely on compliance with strict rules that relate to transparent and honest activity to function properly. The rules provide the public with reassurance that they can trust the markets so it important that wrongdoing is identified and acted on quickly. Unfortunately, and despite the best efforts of Netflix Cartels are not always

**easy to spot, so we have joined forces with the CMA to help everyone to be able to identify behaviour that could be illegal.**

Put simply a cartel is when two or more businesses conspire or collude in activity that is anti-competitive. These activities include price fixing of all types, dividing up customer bases and exploiting or illegal transfer of information. In practice this usually manifests as businesses agreeing not to compete in each other's territories and markets and/or the distribution of commercially sensitive information providing unfair advantage to criminals, and the dividing of markets between certain companies.

These activities subvert competition laws and are illegal in the UK and in many jurisdictions around the world.

Cartels exist to exploit the public by preventing markets from functioning normally.

## **Cartel checklist**

### *Cartel behaviours and how to spot them:*

#### **1. Discussing tenders, prices, rates or fees with a competitor**

If businesses that should be competing are discussing tenders, they could be fixing them. This is especially relevant if they're discussing potential future price/ rate changes or how different companies may react to changes in the market, as well as any discussions about agreeing a common approach to pricing, or not to go below a minimum price.

This can also apply to setting wages.

#### **2. Discussing customers or territories with a competitor**

If there is any kind of agreement or understanding to share or restrict who can sell to who, whether based on geographic location, type of service or type of customer being sold to, this is anti-competitive.

This can also apply to labour markets and no poaching agreements concerning the hire of staff.

#### **3. Discussing future plans**

Competitive businesses must not share information such as pricing intentions, business plans or marketing strategies.

#### **4. Sharing other commercially sensitive information**

Look out for people sharing information that's not in the public domain, such as a business's costs, profit margins, sales volumes or production capacities.

#### **5. Prices fluctuating across the board**

If prices offered by competing companies seem to go up and down together, they could be being illegally fixed.

If you are unsure whether the practices you are concerned about amount to anti-competitive or unfair trading practices the CMA want to hear from you.

For a more in-depth look at the topics raised in this checklist go to the CMA's [Cheating or Competing campaign](#) page where you can find quick guides and explainer films that explain what cartel practices such as price-fixing, market sharing, bid-rigging, wage-fixing and no poaching agreements related to staffing, look like in practice and how best to report them.

## Help & Support

If you wish to know more about whistleblowing, are an employee or ex-employee, or someone with information about cartels and wish to discuss concerns about an organisation's possible involvement in anti-competitive or unfair trading practices, you can contact

**WhistleblowersUK** <https://www.wbuk.org/> using the 'HelpMe' button which will take you to our **confidential and secure reporting platform**,

**or**

you can contact the CMA directly calling: 020 3738 6556 or email: [whistleblower@cma.gov.uk](mailto:whistleblower@cma.gov.uk) or [general.enquiries@cma.gov.uk](mailto:general.enquiries@cma.gov.uk)

*"We are delighted to be working with the CMA as part of our commitment to educating the public and to help combat serious organised crime. As part of our role we provide support to the whistleblowers who bring forward important information to help keep the public safe and support them if they are subjected to retaliation."*

### **Tessa Munt Chair WhistleblowersUK**

Join WhistleblowersUK and become part of the future of whistleblowing. Learn more by visiting our website and contact us for an application form to join our associate membership or make a donation to help us continue this essential work.

<https://www.wbuk.org/donate>

# About WhistleblowersUK

WhistleblowersUK is the UK's leading not for profit whistleblowing organisation. We lead the campaign for root and branch reform of UK whistleblowing laws as secretariat to the All Party Parliamentary Group for Whistleblowing. Our proposals call for the introduction of an Office of the Whistleblower. In 2024 we celebrate 10 years of providing help, information support to over 25000 enquiries. We receive no government funding and rely on the generosity of the public to support whistleblowers.

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