

**Morgan Lewis**

**ANTITRUST & COMPETITION**



**GLOBAL CARTEL  
ENFORCEMENT  
REPORT**  
YEAR-END 2019

# CONTENTS

# INTRODUCTION

## Global cartel fine totals rebounded somewhat in 2019, approaching historical norms following two years of sharply lower fine levels.

The **\$6.1 billion** total is the highest global fine level since 2016. Most of the increased fines came out of Europe, which accounted for more than three-quarters of the fines issued globally. Fines in the United States were slightly higher than in 2018, but still substantially below historical norms. The rest of the Americas region also imposed lower fines in 2019 than in 2018, though some jurisdictions—and Colombia in particular—were more active in 2019. Fines in Asia were higher in 2019, with most of the increase resulting from a few very large fines imposed in Japan. Africa showed the opposite: sharply lower fines in 2019, resulting primarily to the absence of a blockbuster fine in any African jurisdiction.

### Some key trends and developments:

**Focus on Domestic Cartels.** There were some significant fines imposed in international cartel cases, including most notably the blockbuster fine imposed by the European Union on various financial institutions in relation to an investigation of foreign exchange markets, but there is a marked trend around the world toward enforcement focused on domestic cartels. The EU member states, South Korea, and Japan in particular were active in domestic cartel enforcement.

**Decrease in Leniency Applications in International Cartel Cases?** The trend toward a focus on domestic cartels may be a byproduct of diminished leniency applications in recent years, something that several enforcement authorities have noted. In particular, concerns about the increasing costs of complying with the requirements for seeking leniency and immunity in multiple jurisdictions, and the increasingly real prospect of follow-on damages actions in multiple jurisdictions around the world, have changed the decision calculus for companies considering seeking leniency in an international cartel matter, some have claimed.

**New Tools Developed.** Enforcement authorities are developing new tools and programs to discover and prosecute cartels. The European Union, for instance, has developed tools to analyze market trends that might identify cartel violations and is investing in enhanced IT infrastructure to aid in that effort. The United States has created a public procurement collusion task force to ferret out and prosecute collusion in relation to goods and services purchased by government entities, and various jurisdictions have adopted whistleblower protections or incentives for individuals to report violations.

**More Trials in the United States.** Although there were fewer and smaller corporate fines issues in the United States in 2018, the US Department of Justice was very active in trying cases involving individuals. The DOJ prosecuted significant individual trials of executives in the real estate, canned tuna, and financial services industries, winning convictions in some cases and receiving acquittal verdicts in others. We expect the focus on individual prosecutions, to continue.



**Deferred Prosecution Agreements.** The DOJ entered into deferred prosecution agreements in two cases involving pharmaceutical companies last year and separately indicated a willingness to consider use of deferred prosecution agreements as part of its new corporate compliance program. Deferred prosecution agreements have several advantages for targeted companies, as they do not require pleading guilty to a crime. Although the DOJ had entered into deferred prosecution agreements in a handful of cases in the past—all in the financial services industry—the use of deferred prosecution agreements promises to be a more important tool of the DOJ, and opportunity for companies in the future.

**Industries in Focus.** The prosecutions and fines announced in 2019 were in many different industries, with particular focus on pharmaceuticals, food items, and financial services. Many of the investigations producing those fines were initiated years ago, but many of the same industries are the focus of new probes announced in 2019. In addition to those industries, dawn raids in 2019 suggest that enforcement authorities are focusing particular attention on energy, construction, and service markets.



# Key Developments

## AFRICA

**Zambia: Launch of Amnesty Program.** Zambia's competition authority has launched a six-month amnesty program to encourage companies to report cartel conduct. Companies that report cartel conduct between September 2019 and February 2020 will receive immunity and will not face any fines.

## AMERICAS

**Chile: FNE Publishes Internal Guide for Fine Request.** The National Economic Prosecutor's Office (FNE) published the Internal Guide for Fine Requests in August 2019. The guide sets out the parameters to which the FNE will be subject at the time of establishing the amount of the fines it will request in court. In this way, in addition to increasing the transparency and objectivity of its actions, the FNE intends to effectively inform the jurisdictional bodies of the fundamentals underlying its requests for a fine. Notwithstanding that the sanctioning power is based in the Court of Defense of Free Competition (TDLC) and in the Supreme Court, the FNE considered it appropriate to make public the parameters it will consider to determine its claims of fines in relation to infractions committed under the validity of the new regulation, published in August 2016 in the *Official Gazette*, which enshrined various modifications to DL 211. Regarding fines, and taking into account their deterrent effect, these modifications affect the maximum amounts and criteria that should be considered for determination.

The guide sets out a two-stage methodology. The first consists of the determination of a base amount, the amount of which will consider the nature of the illegal anticompetitive object of the infringement and the deterrent effect of the fine. The second is a phase of adjustments to the base amount, according

to a catalog of circumstances, which, within the framework of the law, will allow the establishment of an increase or reduction of the base amount, a process through which a figure will ultimately result that will constitute the fine whose imposition will be requested from the courts.

In the presentation of this methodology, the FNE indicates its understanding of each of the criteria established by DL 211 to determine the fine and how they concur in the quantification of a specific amount. The FNE took special consideration of the jurisprudence of the TDLC and Supreme Court, the provisions in guides and instructions on the application of fines prepared by foreign agencies and domestic agencies, and the comments of the prestigious institutions that participated in the public consultation process. Thus, in addition to the guide, the comments and responses to them are published.

**United States: Robust Compliance Programs May Provide Incentives.** The US Department of Justice (DOJ) Antitrust Division issued new policy guidance on July 11, 2019, that provides companies with the opportunity to receive credit for adopting and maintaining a robust corporate compliance program at the charging stage, including the possibility of deferred prosecution and reduced potential penalties for antitrust violations. This represents a substantial departure from the DOJ's prior policy on compliance programs. In the past, the DOJ offered compliance program credit in the form of a fine reduction in only very limited circumstances in antitrust cases—specifically, where the company substantially revamped its compliance program after some DOJ enforcement action against the company. The DOJ's prior policy was to refuse credit for existing compliance programs, or to consider the existence of compliance programs in making charging decisions, with the rationale that the leniency program provided an adequate substitute for explicit consideration of

the effectiveness of the company's compliance program. If the compliance program was not sufficiently robust to allow the company to identify and self-report a violation in time to receive leniency under the corporate leniency program, according to this rationale, it was not sufficiently effective to be credited.

That has changed with the new policy. The DOJ will now consider the nature and effectiveness of companies' antitrust compliance programs in making charging decisions, with the explicit promise that an effective compliance program may, in some cases, justify proceeding through a deferred prosecution agreement rather than charging a crime. Moreover, the new policy expands the situations in which the DOJ will provide fine reductions in recognition of effective compliance programs.

The policy further provides guidance on features of compliance programs that the DOJ will consider in determining whether the compliance program is effective. Companies should review and update their antitrust compliance programs to ensure consistency with the new guidelines. For more information about this development, read [New DOJ Policy to Incentivize Robust Antitrust Compliance Programs](#).

**United States: New Strike Force Focused on Government Contracts.** The DOJ announced in October 2019 the formation of the new Procurement Collusion Strike Force (PCSF) focusing on deterring, detecting, investigating, and prosecuting antitrust crimes such as bid-rigging conspiracies and related fraudulent schemes that undermine competition in government procurement and grant and program funding. This strike force will be interdisciplinary, employing members of different parts of the DOJ. It is intended to expand the focus on collusion in public procurement contexts, which the DOJ has characterized as an important policy focus going forward. For more information about this development, read [DOJ Launches Procurement Collusion Strike Force on Antitrust Crimes](#).





## ASIA

**China: Interim Provisions on Prohibition of Monopoly Agreements Published.** On June 26, 2019, the State Administration for Market Regulation (SAMR) published the Interim Provisions on Prohibition of Monopoly Agreements, which took effect on September 1, 2019. This legislation replaced the former Rules of the Industry and Commerce Administration Authorities on the Prohibition of Monopoly Agreement Behaviours issued by the State Administration for Industry and Commerce in 2010. The provisions clarify that in addition to the monopolistic acts listed in Articles 13 and 14 of China's Anti-Monopoly Law, SAMR shall have the right to identify other monopoly agreements that have the effect of eliminating or restricting competition. In addition, the provisions establish the system of exemption and leniency.

**Hong Kong: Leniency Policy Expanded.** On April 29, 2019, the Hong Kong Competition Commission (HKCC) published the Cooperation and Settlement Policy for Undertakings Engaged in Cartel Conduct. In essence, the cooperation policy expands the HKCC's leniency policy, published in November 2015 just before the full implementation of the Competition Ordinance. The expansion occurs in two main directions. First, the benefits of the existing leniency program can only accrue to a single company involved in a cartel (i.e., the first one to submit significant evidence on the cartel), while the cooperation policy is available to subsequent applicants. Second, the cooperation policy puts forward a new concept, Leniency Plus, which allows a company participating in a cartel to submit evidence of a new, separate cartel to the HKCC and get credit for its cooperation in relation to both the "old" and "new" cartels.



## EUROPE

**Russia: Legislative Draft Federal Laws to Prevent Cartels.** On November 29, 2019, the Government of the Russian Federation introduced to the State Duma a package of three draft federal laws, prepared under the auspices of the Federal Anti-Monopoly Service (FAS), aimed at preventing the establishment of cartels. The draft laws have been registered by the State Duma. The date of the first reading is not yet scheduled. A summary of the key amendments follows.

### 1. Competition Law

1.1. The draft laws envisage creation of a public register of cartel participants; it is supposed that a cartel participant will be included in the register if (i) an FAS decision on the cartel is upheld by a court or (ii) the participant fails to challenge the FAS decision within a month (in certain cases, within three months).

1.2. No prior notification of any dawn raid will be required; currently, there are exceptions under the Competition Law and FAS is obliged to notify of a dawn raid in certain cases (for example, FAS shall notify of a dawn raid 24 hours in advance when it investigates a potential conspiracy between a customer/an auction organizer and a bidder).

1.3. New rules for leniency programs will be introduced:

(a) The applicant and FAS will enter into a cooperation agreement (a template shall be prepared by FAS after adoption of the amendments), whereby the applicant agrees to take certain actions and provide documents and information necessary for the investigation.

(b) Such cooperation agreement may be concluded with both the first applicant (for release of administrative liability) and follow-on applicants (for reduction of administrative liability to minimum statutory fines).

(c) The concept of “second” and “third” applicants for the purposes of the reduction of administrative fines under the leniency program will be removed from the Code of Administrative Offences.

1.4. The statutes of limitations for cartel agreements will be extended to four years (for administrative violations) and six years (for criminal offenses).

1.5. FAS will obtain the right to seize documents and other items and to request explanations from a company’s officers and employees during dawn raids.

1.6. FAS will reserve the right to obtain personal data and information on subscribers from communications service providers without a court order during cartel and other antitrust investigations.

1.7. Law enforcement bodies will be authorized to exchange information obtained by them in the course of investigative activities with FAS.

## 2. Criminal Code

2.1. The definition of a “cartel” given in Article 178 of the Criminal Code will be brought in line with the definition given in the Competition Law; in particular, it will reflect that “participation in a cartel” constitutes the same criminal offense as entry into a cartel agreement.

2.2. New higher thresholds for the qualification of a cartel as a criminal offense and tougher liability will be added:

Thresholds: (i) causing damage in the amount of >RUB 100 million (currently RUB 50 million) or (ii) generation of profit in the amount of >RUB 20 million (currently RUB 10 million).

Liability: (i) imposition of a fine in the amount of maximum RUB 500,000 or income for the period of maximum two years, or (ii) community works for the period of maximum four years (currently three years) and disqualification for the period of maximum one year, or (iii) imprisonment for maximum four years (currently three years) and disqualification for the period of maximum one year.

A new type of criminal offense will be introduced—“increase, decrease or maintenance of prices at a state tender”—subject to the above thresholds.

Liability: (i) imposition of a fine in the amount of maximum RUB 800,000 or income for the period of maximum three years, or (ii) compulsory labor for the period of maximum five years and disqualification for the period of maximum three years, or (iii) imprisonment for maximum five years and disqualification for the period of maximum four years.

2.3. New aggravating circumstance for committing cartel criminal offenses will be added: “if the criminal offence is committed by a chief executive officer, a member of the board of directors or other collective executive body or a person, who has the right to dispose of >50% of voting rights in the company.”

Liability: (i) imposition of a fine in the amount of maximum RUB 4 million or income for the period of maximum three years, or (ii) community works for the period of maximum five years and disqualification for the period of maximum five years, or (iii) imprisonment for maximum six years and disqualification for the period of maximum five years.

## 3. Code of Administrative Offenses

3.1. According to the draft laws, reduction of an administrative fine to the minimum statutory amount will be available for any subsequent applicant under the leniency program, not only for second and third applicants.

3.2. Turnover-based fines for obstruction of justice will be introduced (if they lead to impossibility of conduct or completion of a dawn raid) from 0.001% to maximum 0.01% of turnover of the offender for the year preceding the year when the offense is committed.

**Germany: Revision of German Competition Law.** The German Federal Ministry for Economic Affairs and Energy has published its draft bill on the 10th amendment to the German Act Against Restraints of Competition. The draft bill proposes major changes, including the implementation of Directive (EU) 2019/1 (ECN+ Directive), the establishment of a “digital regulatory framework” to regulate the market power of digital platforms, revisions to the German merger-control regime, and changes to the antitrust enforcement proceedings, as well as clarifications to the damages claims provisions. For more information on this development, read [German Ministry of Justice Releases Draft Bill for Law Against Corporate Crime](#).

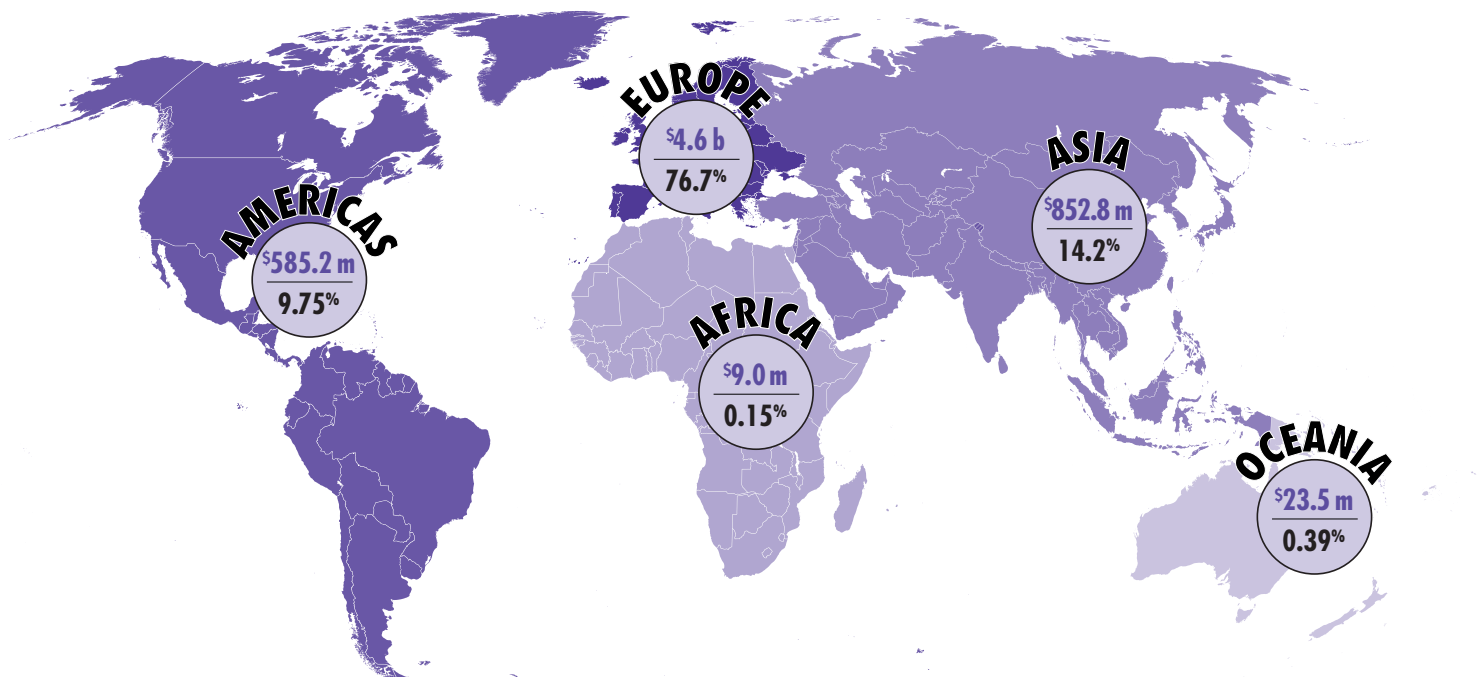
**EU: Antitrust Probes Ending Faster Due to Antitrust Cooperation Procedure.** Maria Jaspers, head of Antitrust Policy and Case Support Unit, DG Competition, at the European Commission, publicly stated that the so-called antitrust cooperation procedure has been “a very useful tool” for streamlining and wrapping up antitrust probes. According to Ms. Jaspers, the European Commission was able to conclude four cases due to the procedure in 2019, including merchandise licensing probes into Nike and Sanrio, a probe into fashion label Guess over its advertising and sales restrictions, and a probe into AB InBev’s restrictions on cross-border sales. The antitrust cooperation procedure provides companies under investigation with the possibility to reduce potential antitrust fines by cooperating with the European Commission in the investigation process. This applies even in cases in which the European Commission has already issued a statement of objections (such as the probes into AB InBev and Guess).



# GLOBAL CARTEL FINES

## 2019: \$6.1 BILLION

Fines by jurisdiction, with percentages of total global fines



	2019	2018	% CHANGE
<b>TOTAL GLOBAL FINES</b>	<b>\$6.1 b</b>	<b>\$3.6 b</b>	<b>69% ↑</b>

<b>EUROPE</b>	<b>\$4.6 b</b>	<b>\$1.85 b</b>	<b>149% ↑</b>
European Union	\$1.6 b	\$890.5 m	80% ↑
Other	\$2.9 b	\$957.3 m	203% ↑

<b>AMERICAS</b>	<b>\$585.2 m</b>	<b>\$812.4 m</b>	<b>28% ↓</b>
United States	\$220.8 m	\$406 m	46% ↓
Brazil	\$135 m	\$279.6 m	52% ↓
Canada	\$4.4 m	\$1.1 m	300% ↑
Other	\$224.6 m	\$125.7 m	79% ↑

	2019	2018	% CHANGE
<b>ASIA</b>	<b>\$852.8 m</b>	<b>\$536.6 m</b>	<b>59% ↑</b>
Japan	\$676 m	\$17.6 m	3740% ↑
South Korea	\$74.3 m	\$275.3 m	73% ↓
China	\$38.4 m	\$8.8 m	336% ↑
India	\$13.4 m	\$13.2 m	2% ↑
Russia	\$8.7 m	\$16.4 m	47% ↓
Other	\$42 m	\$205.3 m	80% ↓

<b>AFRICA</b>	<b>\$9.0 m</b>	<b>\$331.2 m</b>	<b>97% ↓</b>
South Africa	\$9.0 m	\$14.6 m	38% ↓
Egypt	\$0 m	\$316.5 m	100% ↓

<b>OCEANIA</b>	<b>\$23.5 m</b>	<b>\$74.3 m</b>	<b>68% ↓</b>
Australia	\$23.5 m	\$57.9 m	59% ↓
New Zealand	\$0 m	\$16.4 m	100% ↓

\*Fines through January 1 – December 31, 2019, based on publicly available information, and may not be exhaustive.

# GLOBAL CARTEL FINES

## AMERICAS

COUNTRY	DATE	PRODUCT	NUMBER OF FINED ENTITIES	FINE AMOUNT
<b>Brazil</b>	7/8/2019	Trains and subways manufacturing	11	516 million reais (\$135 million)
<b>Canada</b>	3/13/2019	Engineering services for city contracts	1	4 million Canadian dollars (\$3 million)
	2/19/2019	Engineering services for city contracts	1	1.9 million Canadian dollars (\$1.4 million)
<b>Chile</b>	4/24/2019	Roll-on/roll-off shipping	6	6 billion pesos (\$9 million)
	4/17/2019	Surgery services	1	348 million pesos (\$527,000)
	2/28/2019	Chicken	3	8 million pesos (\$12,000)
<b>Colombia</b>	10/30/2019	Chlorine and caustic soda	6	95.9 billion pesos (\$27.8 million)
	8/29/2019	Concrete pipes	2	12.4 billion pesos (\$3,551,000)
	12/20/2019	Fruit	6	2.3 billion pesos (\$702,000)
	8/12/2019	Transportation services	1	2.1 billion pesos (\$613,000)
	3/13/2019	Repair and restoration services	1	757.7 million pesos (\$218,300)
	10/22/2019	Public contracts	2	501 million pesos (\$144,800)
	5/21/2019	Project development	1	380.9 million pesos (\$109,700)
	3/13/2019	Repair and restoration services	1	202.9 million pesos (\$58,500)
	1/17/2019	Gas network installers	1	37.5 million pesos (\$10,800)
<b>El Salvador</b>	1/17/2019	Gas network installers	1	35.1 million pesos (\$10,100)
<b>Mexico</b>	5/30/2019	Pharmaceutical products	1	\$228,000 (\$171,000)
	4/1/2019	Domestic public air passenger transportation services	1	86.2 million pesos (\$4.5 million)
	8/22/2019	Taxi services	1	72.5 million pesos (\$3.8 million)
<b>Peru</b>	6/13/2019	Toothbrushes	3	18.9 million pesos (\$987,430)
	1/17/2019	Fuel	65	459 million soles (\$138 million)
<b>United States</b>	9/11/2019	Canned tuna	1	\$100 million
	3/20/2019	Military fuel supply contracts	1	\$75 million
	7/29/2019	Hard disk drive suspension assemblies	1	\$28.5 million
	1/24/2019	Custom promotional products	1	\$6.5 million
	6/14/2019	ADRs	1	\$3 million
	5/10/2019	ADRs	1	\$2 million
	12/3/2019	Generic drugs	1	\$1.7 million
	7/10/2019	Heir location services	2	\$1.6 million
	6/27/2019	Custom promotional products	1	\$752,717
	9/17/2019	Freight forwarding	1	\$488,250
	5/31/2019	Generic drugs	1	\$225,000
	8/19/2019	Commercial flooring contracting services	1	\$150,000

# GLOBAL CARTEL FINES

## EUROPE (1 OF 4)

COUNTRY	DATE	PRODUCT	NUMBER OF FINED ENTITIES	FINE AMOUNT
<b>Austria</b>	10/7/2019	Consumer electronic products	1	658,700 euros (\$714,000)
	10/31/2019	Bicycles	1	389,000 euros (\$422,000)
	5/13/2019	Distribution of bakery foods and snacks	1	218,000 euros (\$236,000)
	5/31/2019	Waste collection services for used automotive batteries	1	61,800 euros (\$67,000)
<b>Belgium</b>	6/5/2019	Pharmacy services	1	1 million euros (\$1.1 million)
	10/16/2019	Pharmaceuticals	1	230,000 euros (\$249,000)
	1/24/2019	Infrared cabins	1	102,400 euros (\$111,000)
<b>Bulgaria</b>	12/10/2019	Energy audits	24	407,400 lev (\$225,777)
<b>Croatia</b>	10/31/2019	Business-to-business food supply chains	1	825,800 kuna (\$120,140)
	9/2/2019	Watermelons	1	356,200 kuna (\$51,825)
	7/25/2019	Sewage treatment	5	147,100 kuna (\$21,400)
<b>Cyprus</b>	12/12/2019	Mobile telephony services provider	1	244,500 euro (\$265,000)
<b>Czech Republic</b>	5/11/2019	Baby products and furniture	1	41.3 million koruna (\$1.8 million)
	1/8/2019	Logistics services concerning the rail freight forwarding of salt and chemical substances	2	17.4 million koruna (\$758,000)
	4/29/2019	Consultancy services for a data and information provision project	4	1.9 million koruna (\$83,000)
	12/20/2019	IT consultancy services	4	1.8 million koruna (\$81,000)
	6/25/2019	Audio visual equipment	2	848,000 koruna (\$37,000)
	5/22/2019	Medical emergency devices	2	160,600 koruna (\$7,000)
<b>Denmark</b>	8/22/2019	Demolition	1	5.9 million krone (\$877,467)
	2/18/2019	Demolition	1	5 million krone (\$757,774)
	8/6/2019	Cameras	1	1.3 million krone (\$194,985)
	5/1/2019	Demolition	1	1 million krone (\$150,623)
	3/7/2019	Plumbing	1	595,500 krone (\$86,404)
	8/22/2019	Demolition	1	410,000 krone (\$59,489)
	12/17/2019	Camping	1	308,500 krone (\$44,760)
	8/22/2019	Demolition	1	102,500 krone (\$14,872)
<b>European Union</b>	3/16/2019	Foreign exchange	5	1.1 billion euros (\$1.2 billion)
	3/5/2019	Car safety equipment	3	383.5 million euros (\$415.8 million)
	9/27/2019	Canned vegetables	2	32 million euros (\$34.6 million)
	7/4/2019	Steel bars	5	17 million euros (\$18.1 million)
<b>Finland</b>	6/1/2019	Milk	1	71.6 million euros (\$77.6 million)

# GLOBAL CARTEL FINES

## EUROPE (2 OF 4)

COUNTRY	DATE	PRODUCT	NUMBER OF FINED ENTITIES	FINE AMOUNT
France	12/18/2019	Meal vouchers	4	425 million euros (\$461 million)
	12/18/2019	Fruit compote	5	60 million euros (\$64.8 million)
	10/28/2019	Logistics	1	3.9 million euros (\$4.2 million)
	7/8/2019	Distribution of raw materials and equipment to bakers	1	1.8 million euros (\$1.9 million)
	10/1/2019	Architecture services	1	1.5 million euros (\$1.7 million)
	5/22/2019	IT services and software publishing	1	922,400 euros (\$1 million)
	6/24/2019	Estate negotiation and notaries	2	309,900 euros (\$336,000)
	7/1/2019	Online bicycle sales	1	261,000 euros (\$283,000)
	5/29/2019	Distribution of chemical pathology products	2	231,500 euros (\$251,000)
	6/24/2019	Bailiffs	1	126,400 euros (\$137,000)
3/28/2019	Taxi services	1	77,500 euros (\$84,000)	
Germany	12/12/2019	Quarto plates	3	662.3 million euros (\$718 million)
	11/21/2019	Purchase of steel	3	102.1 million euros (\$110.7 million)
	12/31/2019	Plant protection products	1	71 million euros (\$77 million)
	1/29/2019	Bicycle wholesale	1	14.1 million euros (\$15.3 million)
	12/23/2019	Stamped vehicle registration plates	4	8.1 million euros (\$8.8 million)
	1/24/2019	Magazine lending services	8	3 million euros (\$3.4 million)
	12/19/2019	Liquefied gas	4	200,100 euros (\$217,000)
Greece	3/5/2019	Public works	5	28.4 million euros (\$30.8 million)
	1/15/2019	Public works	6	259,200 euros (\$281,000)
	9/24/2019	Fees for the provision of electrical installation and certification, and certification services	1	147,100 euros (\$159,508)
	1/31/2019	Audience research services	2	93,200 euros (\$101,000)
Hungary	12/5/2019	Waste treatment	5	877 million forints (\$2.8 million)
	12/4/2019	Alarm systems and equipment	3	560 million forints (\$1.8 million)
	5/20/2019	Power tools	1	111 million forints (\$390,000)
	4/25/2019	Solar batteries	5	81 million forints (\$285,000)
	6/12/2019	Online cash registers	6	70 million forints (\$246,000)
	4/18/2019	Portable batteries and accumulators	2	30 million forints (\$105,000)

# GLOBAL CARTEL FINES

## EUROPE (3 OF 4)

COUNTRY	DATE	PRODUCT	NUMBER OF FINED ENTITIES	FINE AMOUNT
Italy	7/17/2019	Corrugated cardboard	20	293.8 million euros (\$318.5 million)
	2/26/2019	Helicopter forest fire-fighting services	7	69 million euros (\$74.4 million)
	5/20/2019	Broadcasting rights	3	69 million euros (\$74.4 million)
	12/16/2019	Security services	9	31 million euros (\$33.5 million)
	1/30/2019	Waste management	4	1.7 million euros (\$1.8 million)
Latvia	4/24/2019	Nanotechnology chemicals	1	2.5 million euros (\$2.7 million)
Lithuania	6/27/2019	Road repair and land reclamation	4	1 million euros (\$1.1 million)
	7/18/2019	Cemetery maintenance services	5	426,000 euros (\$463,000)
Poland	10/15/2019	Transport	2	202,300 zloty (\$42,300)
	1/14/2019	Bus transportation	1	98,000 zloty (\$25,000)
Portugal	9/9/2019	Mortgages, consumer and small and medium enterprises credit products	12	229 million euros (\$249 million)
	9/19/2019	Electricity supply and power grid	1	48.8 million euros (\$53 million)
	8/1/2019	Insurance	2	43 million euros (\$46.8 million)
	4/12/2019	Transport	1	920,000 euros (\$1 million)
	6/28/2019	Transport	1	313,700 euros (\$341,000)
Spain	7/12/2019	Cow milk	9	83.5 million euros (\$90.8 million)
	11/13/2019	Television advertising	2	78 million euros (\$84.8 million)
	4/12/2019	Tobacco	4	60 million euros (\$65.2 million)
	10/9/2019	Industrial services	19	50.4 million euros (\$58.4 million)
	5/31/2019	School books	34	34.8 million euros (\$37.8 million)
	7/10/2019	School transport	28	1.9 million euros (\$2.1 million)
Switzerland	6/6/2019	Foreign exchange spot trading	5	80.8 million Swiss francs (\$91 million)
	7/11/2019	Car leasing	7	28.5 million Swiss francs (\$31 million)
	2/28/2019	Concrete and gravel	2	21.4 million Swiss francs (\$22.1 million)
	7/2/2019	Interest derivatives	2	638,500 Swiss francs (\$694,000)
	9/3/2019	Building/underground construction	3	456,300 Swiss francs (\$496,000)
	7/17/2019	Tractor spare parts	1	139,800 Swiss francs (\$152,000)
	9/5/2019	Ski	1	130,600 Swiss francs (\$142,000)
	3/5/2019	Driving training	1	45,700 Swiss francs (\$49,700)



# GLOBAL CARTEL FINES

## EUROPE (4 OF 4)

COUNTRY	DATE	PRODUCT	NUMBER OF FINED ENTITIES	FINE AMOUNT
Turkey	6/20/2019	Customs brokers	1	2% of 2018 annual gross income (amount not announced)
	3/13/2019	Chicken	10	172.2 million Turkish lira (\$28.7 million)
	4/18/2019	Roll-on/roll-off shipping	5	7.7 million Turkish lira (\$1.3 million)
United Kingdom	10/23/2019	Concrete drainage products	3	36 million pounds (\$46 million)
	4/12/2019	Design, construction, and fit-out services	5	6.4 million pounds (\$8.4 million)
	4/11/2019	Digital pianos and keyboards	1	3.6 million pounds (\$4.8 million)
	12/17/2019	Real estate commission fees	4	596,000 pounds (\$784,000)
	3/20/2019	Guitars	1	25,000 pounds (\$33,000)

# GLOBAL CARTEL FINES

## ASIA (1 OF 3)

COUNTRY	DATE	PRODUCT	NUMBER OF FINED ENTITIES	FINE AMOUNT
China	6/5/2019	Vehicles	1	164.7 million renminbi (\$23.6 million)
	12/6/2019	Vehicles	1	87.3 million renminbi (\$12.5 million)
	8/9/2019	Concrete	10	4.9 million renminbi (\$697,000)
	8/9/2019	Brick	9	1.9 million renminbi (\$275,000)
	7/31/2019	Food	9	656,000 renminbi (\$94,000)
	11/22/2019	Gas	7	411,800 renminbi (\$59,000)
	10/18/2019	Motor exhibition	1	293,200 renminbi (\$42,000)
	9/17/2019	Concrete	5	244,300 renminbi (\$35,000)
	3/14/2019	Motor vehicle safety technology	3	230,300 renminbi (\$33,000)
Hong Kong	5/17/2019	IT equipment	4	Undecided
	5/17/2019	Decor	10	Undecided
India	6/4/2019	Pharmaceuticals	4	571 million rupees (\$8 million)
	8/13/2019	Electric power steering systems	4	171 million rupees (\$2.4 million)
	8/5/2019	Geo-enabled tree census using GIS & GPS Technology	3	27.2 million rupees (\$381,313)
Indonesia	5/14/2019	Scooters	1	25 billion rupiah (\$1.8 million)
	5/14/2019	Scooters	1	22.5 billion rupiah (\$1.6 million)
	7/19/2019	Freight shipping	1	7 billion rupiah (\$506,000)
	7/19/2019	Freight shipping	1	6.2 billion rupiah (\$465,000)
	7/19/2019	Freight shipping	1	5.6 billion rupiah (\$399,000)
	7/19/2019	Freight shipping	1	1.4 billion rupiah (\$100,000)
Japan	7/30/2019	Asphalt	8	40.3 billion yen (\$367.2 million)
	9/26/2019	Beverage cans	3	26.2 billion yen (\$238.9 million)
	11/22/2019	Activated carbon	N/A	4.4 billion yen (\$40 million)
	6/20/2019	Asphalt	3	3.2 billion yen (\$29.2 million)
	7/11/2019	Drainage facility operation	4	75.2 million yen (\$685,000)
	6/4/2019	Generic lanthanum carbonate OD	2	1.4 million yen (\$13,000)
Kazakhstan	9/17/2019	Medical equipment	1	1.9 million tenge (\$5,000)
	6/17/2019	Food	1	863,200 tenge (\$2,290)
Pakistan	12/16/2019	Wheat Flour	1	74.6 million Pakistani rupees (\$484,600)
Philippines	12/18/2019	Transportation	1	39.5 million Philippine pesos (\$783,200)
	10/2/2019	Housing	2	27.7 million Philippine pesos (\$549,600)

# GLOBAL CARTEL FINES

## ASIA (2 OF 3)

COUNTRY	DATE	PRODUCT	NUMBER OF FINED ENTITIES	FINE AMOUNT
Russia	11/27/2019	Pharmaceuticals	2	284 million rubles (\$4.4 million)
	9/3/2019	Pharmaceuticals	4	115 million rubles (\$1.8 million)
	9/3/2019	Pharmaceuticals	4	112.8 million rubles (\$1.7 million)
	11/25/2019	Medical devices	1	86 million (\$1.3 million)
	9/3/2019	Road construction	1	28.3 million rubles (\$436,459)
	7/18/2019	Software	4	10.9 million rubles (\$173,490)
	10/28/2019	Building renovation	1	9.4 million rubles (\$146,875)
	10/25/2019	Urban landscaping	1	8.1 million rubles (\$126,562)
	11/18/2019	Medical equipment	2	7.7 million rubles (\$120,312)
	9/30/2019	Land plot	1	6 million rubles (\$92,521)
	2/25/2019	Pharmaceuticals	1	5 million rubles (\$76,347)
	9/13/2019	Heat supply system maintenance	1	900,000 rubles (\$14,062)
	1/29/2019	Medical devices	1	439,400 rubles (\$6,639)
	9/17/2019	Medical devices	1	170,000 rubles (\$2,671)
12/19/2019	Watches	1	100,000 rubles (\$1,610)	
Singapore	1/30/2019	Hotel rooms	8	1.5 million Singapore dollars (\$1.1 million)
South Korea	2/7/2019	Concrete	3	15.4 billion won (\$13 million)
	4/25/2019	Private telephone lines	4	13.6 billion won (\$11.5 million)
	10/8/2019	Rice shipping	6	12.5 billion won (\$10.6 million)
	2/28/2019	Heavy calcium carbonate	6	11.8 billion won (\$10 million)
	8/5/2019	Alternators and ignition coils	3	8.9 billion won (\$7.5 million)
	7/17/2019	Blood bags	4	7.7 billion won (\$6.5 million)
	7/15/2019	Treated distillate aromatic extract	2	5 billion won (\$4.3 million)
	7/9/2019	Power generation	8	3.1 billion won (\$2.6 million)
	6/14/2019	Scientific equipment	2	1.6 billion won (\$1.3 million)
	12/31/2019	Data storage construction	11	1.4 billion won (\$1.2 million)
	12/5/2019	Base station construction services	5	1 billion won (\$925,000)
	4/9/2019	Ground water observation network inspection and repair services	5	1 billion won (\$875,000)
	1/18/2019	FX derivatives	4	729 million won (\$616,000)
	9/18/2019	Property appraisal services	2	497 million won (\$420,000)
7/3/2019	Subway station safety door maintenance	1	404 million won (\$341,000)	
4/5/2019	Consulting services	8	306.5 million won (\$259,000)	

# GLOBAL CARTEL FINES

## ASIA (3 OF 3)

COUNTRY	DATE	PRODUCT	NUMBER OF FINED ENTITIES	FINE AMOUNT
South Korea	3/27/2019	Elevator standard weight transportation services	6	272 million won (\$230,000)
	9/11/2019	IT system maintenance services	3	198 million won (\$167,000)
	9/25/2019	IT facilities construction	2	147 million won (\$124,000)
	2/12/2019	Enterprise resource planning systems	3	33.1 million won (\$28,000)
	9/19/2019	Employment placement system support services	2	9.5 million won (\$8,000)
	10/25/2019	Container berth management	1	5.6 million won (\$5,000)
Taiwan	5/20/2019	Concrete	5	57 million Taiwan dollars (\$1.9 million)
	8/15/2019	Security guard services	1	390,000 Taiwan dollars (\$13,000)

# GLOBAL CARTEL FINES

## AFRICA & OCEANIA

COUNTRY	DATE	PRODUCT	NUMBER OF FINED ENTITIES	FINE AMOUNT
<b>Israel</b>	1/23/2019	Home piping products	1	2.5 million shekels (\$719,000)
<b>South Africa</b>	6/3/2019	Wood-based panels	1	47.8 million rand (\$3.2 million)
	1/27/2019	Media advertising	1	34.4 million rand (\$2.3 million)
	1/22/2019	Ticket distribution services	1	20.9 million rand (\$1.4 million)
	1/27/2019	Media advertising	1	10.6 million rand (\$707,000)
	5/28/2019	Construction	1	6.0 million rand (\$410,000)
	9/19/2019	Steel wire	1	5.0 million rand (\$340,000)
	2/6/2019	Construction	1	4.4 million rand (\$296,000)
	9/19/2019	Steel wire	1	4.4 million rand (\$294,000)
	6/28/2019	Asphalt	1	579,000 rand (\$41,000)
	1/27/2019	Media advertising	1	478,000 rand (\$32,000)
	6/5/2019	Media advertising	1	284,000 rand (\$19,000)
2/6/2019	Sports agency services	1	104,600 rand (\$7,000)	

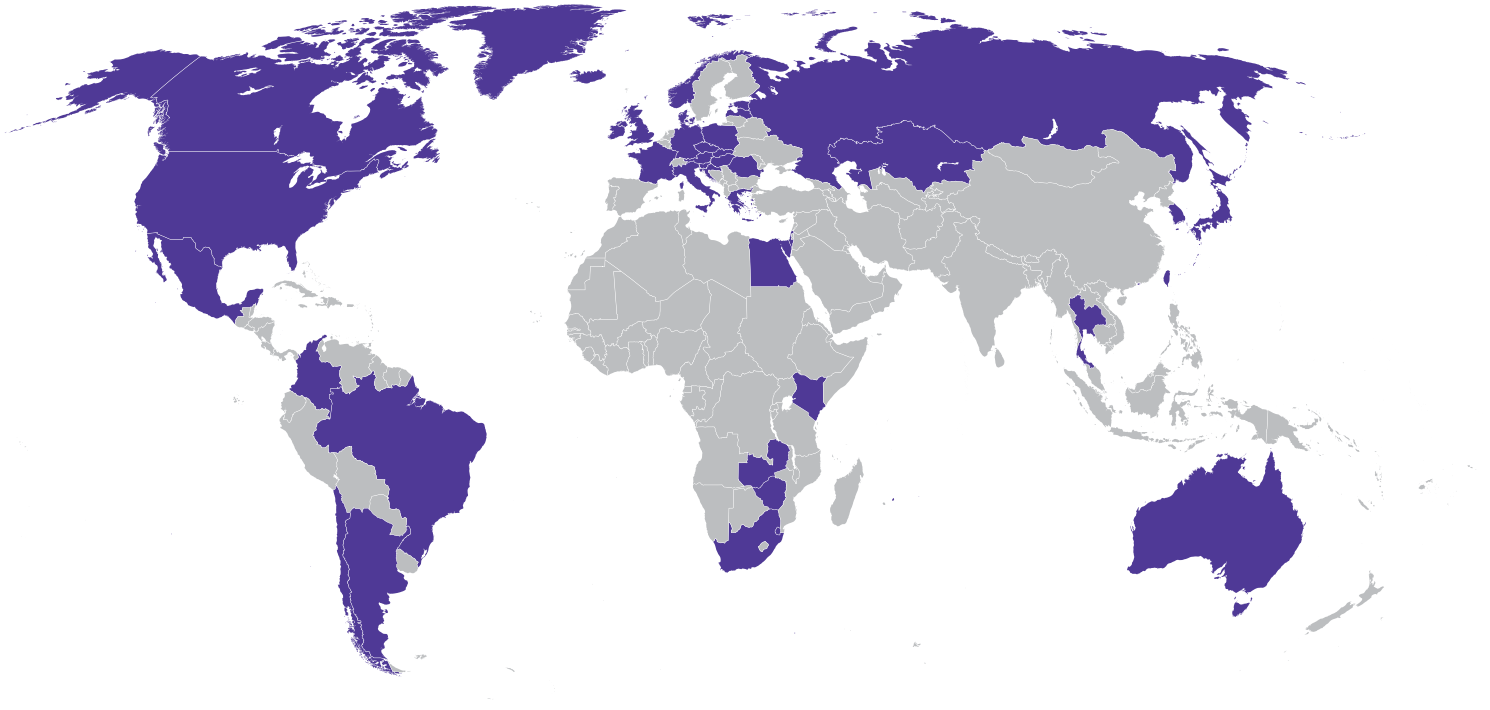
COUNTRY	DATE	PRODUCT	NUMBER OF FINED ENTITIES	FINE AMOUNT
<b>Australia</b>	8/2/2019	Roll-on/roll-off shipping	1	34.5 million Australian dollars (\$23.5 million)

# PROSECUTIONS

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# 43 COUNTRIES HAVE CRIMINAL PENALTIES FOR CARTEL VIOLATIONS OR CONVICTIONS



Argentina

Australia

Austria

Brazil

Canada

Chile

Colombia

Croatia

Czech Republic

Denmark

Egypt

Estonia

France

Germany

Greece

Greenland

Hong Kong

Hungary

Iceland

Ireland

Israel

Italy

Japan

Kazakhstan

Kenya

Latvia

Malta

Mexico

Norway

Poland

Romania

Russia

Slovakia

Slovenia

South Africa

South Korea

Swaziland

Taiwan

Thailand

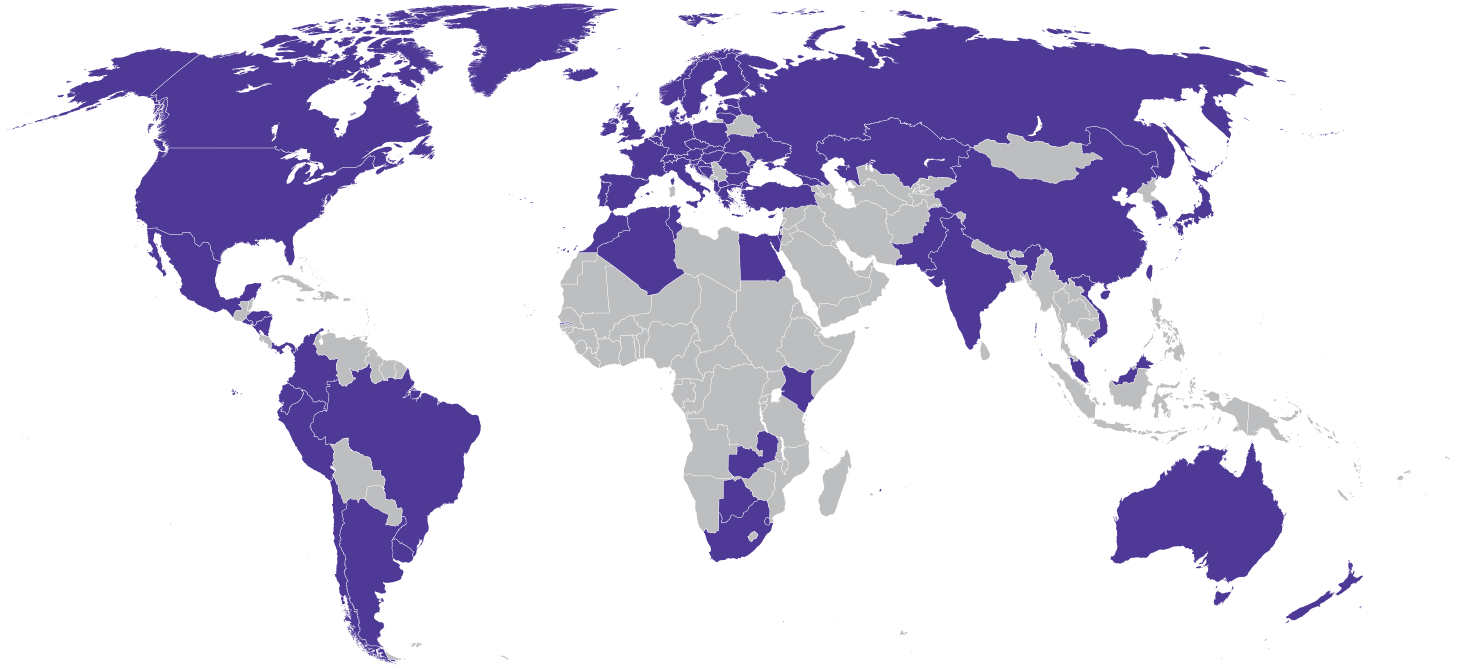
United Kingdom

United States

Zambia

Zimbabwe

# 78 COUNTRIES HAVE CARTEL IMMUNITY/LENIENCY PROGRAMS



- |                      |                |             |                |
|----------------------|----------------|-------------|----------------|
| Albania              | El Salvador    | Kenya       | Singapore      |
| Algeria              | Estonia        | Latvia      | Slovakia       |
| Argentina            | European Union | Lithuania   | Slovenia       |
| Australia            | Finland        | Luxembourg  | South Africa   |
| Austria              | France         | Macedonia   | South Korea    |
| Belgium              | Gambia         | Malaysia    | Spain          |
| Bosnia & Herzegovina | Georgia        | Mauritius   | Sweden         |
| Botswana             | Germany        | Mexico      | Switzerland    |
| Brazil               | Greece         | Morocco     | Swaziland      |
| Bulgaria             | Greenland      | Netherlands | Taiwan         |
| Canada               | Honduras       | New Zealand | Tunisia        |
| Chile                | Hong Kong      | Nicaragua   | Turkey         |
| China                | Hungary        | Norway      | Ukraine        |
| Colombia             | Iceland        | Pakistan    | Uruguay        |
| Croatia              | India          | Panama      | United Kingdom |
| Czech Republic       | Ireland        | Peru        | United States  |
| Cyprus               | Israel         | Poland      | Vietnam        |
| Denmark              | Italy          | Portugal    | Zambia         |
| Ecuador              | Japan          | Romania     |                |
| Egypt                | Kazakhstan     | Russia      |                |



# NOTABLE PRISON SENTENCES & EXTRADITIONS

COUNTRY	DATE	PRODUCT	NUMBER OF INDIVIDUALS SENTENCED	SENTENCE
Canada	1/17/2019	Engineering services for city contracts	1	12 months (six months of house arrest, six months under curfew)
	6/20/2019	Engineering services for city contracts	1	18 months (nine months of house arrest, nine months under curfew)
	7/25/2019	Engineering services for city contracts	1	22 months (seven months of house arrest, 15 months under curfew)
Israel	3/25/2019	Tree pruning services	1	11 months
United Kingdom	4/30/2019	Residential estate agency services	1	Five years
	4/26/2019	Concrete drainage	2	Seven years and six months; six years and six months
	5/10/2019	Design, construction, and fit-out services	3	Five years; two years and six months; two years
	7/29/2019	Design, construction, and fit-out services	3	Four years and nine months; two years and nine months; one year and six months
United States	6/25/2019	International freight forwarding services	2	18 months; 15 months
	6/27/2019	Customized promotional products	1	Eight months

## Extraditions

The latest extradition of a foreign executive highlights ongoing efforts by the US Department of Justice's Antitrust Division to arrest foreign executives abroad in order to face charges in the United States. Nearly 10 years after the original charges, the Antitrust Division recently extradited and convicted an airline cargo executive as part of its air transportation industry investigation. For more information on this development, read [DOJ's Antitrust Division Convicts Seventh Foreign Executive Following Extradition Proceedings](#).



# DAWN RAIDS

Cartel enforcement authorities around the world launched 125 new investigations in 2019. Multiple investigations were initiated with dawn raids, where enforcement agencies exercise their authority to search and seize documents, electronic media, and other tangible materials. These search-and-seizure exercises are often carried out in the early morning, which is why they are often referred to as dawn raids. Dawn raids are generally not publicized by enforcement authorities. To see the list of dawn raids that were publicly reported, see [2019 Dawn Raids](#). As the list shows, the dawn raids touched on a number of different industries, with a particular focus on energy, construction, and the services market.

Companies are advised to have plans in place to deal with dawn raids should they occur so employees know how to react and how to avoid creating problems through obstructive behavior. See our [Dawn Raid Golden Rules](#).

## OUR CARTEL INVESTIGATIONS AND LITIGATION PRACTICE

Morgan Lewis has acted as US, European, and global coordinating counsel for multinational corporations in virtually every major international cartel investigation of the last 20 years, guiding clients through every stage of the process. Our antitrust lawyers have coordinated multijurisdictional cartel investigations and civil litigation and defended some of the world's largest corporations in high-stakes treble damages class actions involving allegations of price-fixing and other cartel conduct. We also assist clients in establishing compliance programs to prevent or detect potential cartel conduct that may result in substantial criminal liability. We help design compliance programs that mitigate the sentencing consequences in the criminal justice system that are consistent with recent US Department of Justice (DOJ) compliance standards. Our team includes a number of former high-level government enforcers with superior insights into enforcement agendas and practices around the world, including a former assistant chief of the National Criminal Enforcement Section in the DOJ's Antitrust Division, and several lawyers who have direct experience prosecuting cartel matters with the DOJ.

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