

UK Competition Watchdog disqualifies company director for five years

The Competition and Markets Authority (CMA), the UK body enforcing competition law, can apply to the court for an order to disqualify a director from holding company directorships in relation to a company for up to fifteen years where that individual has been a director of a company which has breached competition law.

The CMA has exercised this power for the first time [today] by securing the disqualification of Daniel Aston, managing director of Trod Limited. Mr Aston has given an undertaking that he will not act as a director of any UK company for the next five years.

On 12 August 2016, the CMA issued a decision which found that Trod Limited and GB Eye Limited (a competitor company) had infringed competition law by fixing the price of products sold online to customers in the US through the use of automated repricing software. The CMA fined Trod Limited £163,371 for the breach.

Mr Aston personally contributed to the breach of competition law in his capacity as managing director of Trod Limited and the CMA considered this conduct made him unfit to be a company director.

Comment

This landmark case highlights the need for company directors to understand their obligations under competition law and to ensure that their companies comply with their obligations under EU and UK competition law.

We continually advise clients on their obligations under competition law and work with them to design and implement bespoke competition law compliance programmes.