

# Confronting Cartels Proactively

Martindale-Hubbell posed the following question to provide a variety of views on this important topic.

*Why are cartels a growing concern for directors today, and what preventive steps can we take?*

Regulatory authorities worldwide have identified the suppression of cartels their first priority, with global price-fixing topping the list. In recent cases, individuals have been indicted and convicted and huge corporate fines levied.

Facing liability and disqualification, directors cannot afford to be uninformed when it comes to antitrust compliance. They must ensure antitrust compliance in every jurisdiction in which their companies do business.



**Gary L. Halling**

*Chair, Antitrust and Trade Regulation Practice Group*

**Sheppard, Mullin, Richter & Hampton LLP**  
[ghalling@sheppardmullin.com](mailto:ghalling@sheppardmullin.com)

With increasing coordination of the U.S. Department of Justice's (DOJ), European Union's and other jurisdictions' international antitrust cartel prosecutions, companies are facing crippling fines (\$500 million in one U.S. case alone) and massive treble-damage civil liability. Directors also may have personal liability for knowingly failing to confront and prevent such corporate catastrophes. Preventative steps include antitrust audits and compliance programs targeted to key individuals. If wrongdoing comes to light, U.S. fines and jail time can be avoided by prompt and truthful reporting as part of DOJ's amnesty program.

# Counsel<sup>to</sup>Counsel

brief advice:

## Confronting Cartels Proactively

Gary L. Halling

Chair, Antitrust and Trade Regulation Practice Group  
Sheppard, Mullin, Richter & Hampton LLP



LexisNexis®  
Martindale-Hubbell®

**Martindale-Hubbell**  
121 Chanlon Road  
New Providence, NJ 07974  
counseltocounselmag@martindale.com  
800-526-4902, ext. 2156

**Corporate Legal Times**  
656 W. Randolph Street, Suite 500E  
Chicago, IL 60661  
calfred@cltmag.com  
312-651-0345

**Sheppard, Mullin, Richter & Hampton LLP**  
333 South Hope Street, Forty-Eighth Floor  
Los Angeles, CA 90071  
(213) 617-5473

Counsel to Counsel is published as a supplement to Corporate Legal Times, 656 West Randolph Street, Suite 500 East, Chicago, IL 60661. Copyright 2004 by Corporate Legal Times and Martindale-Hubbell. All rights reserved. No reproduction of any portion of this supplement is allowed without written permission.

LexisNexis, the Knowledge Burst logo and Martindale-Hubbell are registered trademarks of Reed Elsevier Properties Inc., used under license. © 2004 Martindale-Hubbell, a division of Reed Elsevier Inc. All rights reserved. The views expressed herein are the views of the author(s) and do not necessarily reflect those of Martindale-Hubbell.