

**COMPANY DIRECTORS DISQUALIFICATION ACT 1986
DISQUALIFICATION UNDERTAKING**

IN RE: CPM GROUP LIMITED

CASE 50299: SUPPLY OF PRODUCTS TO THE CONSTRUCTION INDUSTRY (PRE-CAST CONCRETE DRAINAGE PRODUCTS)

I, **PHILIP MICHAEL STACEY** of [REDACTED] hereby undertake to the Competition and Markets Authority (**CMA**), on the basis set out in the schedule attached to this disqualification undertaking, that in accordance with Section 9B of the Company Directors Disqualification Act 1986 (**CDDA 1986**) I WILL NOT for a period of seven (7) years and six (6) months:

- a) be a director of a company, act as a receiver of a company's property or in any way, whether directly or indirectly, be concerned or take part in the promotion, formation or management of a company unless (in each case) I have the leave of the court; or
- b) act as an insolvency practitioner.

The period of disqualification commences at the end of 21 days beginning with the day on which this undertaking is accepted by the CMA, and that commencement date is 9 May 2019.

I understand that if I act in contravention of this undertaking:

- a) I may be prosecuted for a criminal offence (Section 13, CDDA 1986); and
- b) I may be personally responsible for all the relevant debts of a company (Section 15, CDDA 1986).

I confirm that I have sought legal advice on the effect of this undertaking prior to signing it.

Signed

[REDACTED]

Philip Michael Stacey

[REDACTED]

Date

Accepted by

[REDACTED]

(Authorised person at CMA)

[REDACTED]

Date

**SCHEDULE TO THE DISQUALIFICATION UNDERTAKING GIVEN BY
PHILIP MICHAEL STACEY**

Solely for the purpose of the CDDA 1986 and for any other purposes under the provisions of the CDDA 1986 and other legislation consequential to the giving of a disqualification undertaking, I admit the following matters:

BREACH OF COMPETITION LAW

1. As provisionally found by the CMA in its Statement of Objections issued on 13 December 2018 (the **SO**) and admitted by CPM Group Ltd (**CPM**) on 7 December 2018 in settlement of case 50299: supply of products to the construction industry (pre-cast concrete drainage products), CPM infringed the prohibition by section 2(1) of the Competition Act 1998 and Article 101(1) of the Treaty on the Functioning of the European Union by participating in a single continuous infringement through an agreement or a concerted practice which had as its object the prevention, restriction or distortion of competition in relation to the supply of certain pre-cast concrete drainage products to customers in Great Britain (the **Admitted Infringement**) from 6 July 2006 to 13 March 2013 (the **Relevant Period**).

2. As set out in the SO the Admitted Infringement took the form of:
 - (a) price fixing or price coordination, including by the agreement of a minimum price list for spot market work, which was used as part of a coordinated approach with the aim of increasing prices, and which reduced uncertainty as regards the pricing to be adopted by CPM and one or more of its competitors;
 - (b) market sharing through the allocation of customers (including by bid rigging) and an agreement to maintain specified market shares; and
 - (c) the regular and systematic exchange of competitively sensitive information.

3. I was a director of CPM from 17 January 1997 to 19 October 2017. Accordingly, I was a director of CPM throughout the Relevant Period and for the duration of the Admitted Infringement.

MATTERS OF UNFITNESS

4. I accept that the following circumstances and instances of my conduct as a director of CPM are such as to make me unfit to be concerned in the management of a company.
5. I was a director of CPM throughout the Relevant Period.
6. CPM was incorporated on 18 March 1971 under the name Grange Precast Limited and was an active company throughout the Relevant Period.
7. As a director of CPM, I participated in the Admitted Infringement throughout the Relevant Period including by attending regular secret meetings with one or more of CPM's competitors, and by taking steps to ensure that CPM implemented and adhered to the Admitted Infringement.
8. My participation in the Admitted Infringement enabled CPM to increase its prices in the market for certain pre-cast concrete drainage products and to maintain its market shares in the relevant market.
9. The Admitted Infringement includes price fixing and market sharing which are amongst the most serious types of competition law infringement.
10. My participation in the Admitted Infringement contributed to CPM potentially being exposed to a penalty under the Competition Act 1998, which CPM has agreed to pay under the settlement agreement with the CMA dated 7 December 2018.