

Date: **30 August 2019**

Release time: **Immediate**

## BLUESCOPE RESPONDS TO ACCC PROCEEDINGS

BlueScope today advised that the Australian Competition and Consumer Commission (ACCC) has commenced civil proceedings against BlueScope and its former employee Mr Jason Ellis alleging contraventions of the Australian competition law cartel provisions.

The proceedings relate to conduct that allegedly involve Mr Ellis, during the period September 2013 to June 2014, attempting to induce various steel distributors in Australia and overseas manufacturers to enter agreements containing a price fixing provision. The ACCC has not alleged that an agreement was reached or that an agreement was implemented.

BlueScope Chairman John Bevan said, "These are serious allegations and the Board is treating them very seriously. Since becoming aware of the ACCC's investigation, we have constructively engaged with the ACCC and conducted our own internal investigation. While we have not seen all of the evidence that has been relied on by the ACCC, based on what we know today, we do not believe that BlueScope, or any current or former employees, have engaged in cartel conduct."

BlueScope's Managing Director and Chief Executive Officer, Mark Vassella said, "The alleged conduct does not represent the BlueScope way, or the values that we work hard to instil in our team. We take matters of competition law compliance and corporate governance extremely seriously."

BlueScope will carefully review the allegations and evidence as it is received in these proceedings and will continue to engage constructively with the ACCC. As the matter is now before the courts it would not be appropriate to comment further at this time.

The ACCC's Media Release is attached.

**For further information about BlueScope:** [www.bluescope.com](http://www.bluescope.com)

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# MEDIA RELEASE



**30 AUGUST 2019**

## **ACTION AGAINST BLUESCOPE FOR ALLEGED CARTEL CONDUCT**

The ACCC has instituted civil proceedings in the Federal Court against BlueScope Steel Limited (BlueScope) and its former General Manager of Sales and Marketing, Mr Jason Ellis, for alleged cartel conduct in relation to the supply of flat steel products.

The ACCC alleges that between September 2013 and June 2014, BlueScope and Mr Ellis attempted to induce various steel distributors in Australia and overseas manufacturers to enter agreements containing a price fixing provision.

It is alleged that BlueScope and Mr Ellis attempted to induce agreements with BlueScope's competitors, to fix and/or raise the level of pricing for flat steel products supplied in Australia.

“BlueScope is the major manufacturer of flat steel products in Australia. Flat steel products are an essential material in a number of important sectors of the Australian economy, including the construction, building, manufacturing, automotive and transport industries,” ACCC Chair Rod Sims said

The ACCC is seeking declarations, pecuniary penalties and costs against BlueScope and Mr Ellis, as well as an order disqualifying Mr Ellis from managing corporations.

“This matter involves allegations of serious cartel conduct. Given the six year limitation period for taking civil proceedings for certain of the alleged conduct was about to expire, the ACCC has determined it is appropriate to commence such proceedings against BlueScope and Mr Ellis,” Mr Sims said.

The ACCC has been working closely with the CDPP in relation to the matter and the CDPP's consideration of the matter is continuing. Given these circumstances, the ACCC will not be making any additional comment at this time.

### **Background**

The ACCC investigates cartel conduct, manages the immunity process, takes proceedings in the Federal Court in respect of civil cartel contraventions, and refers serious cartel conduct to the Commonwealth Director of Public Prosecutions (CDPP) for consideration for prosecution.

The CDPP is responsible for prosecuting criminal cartel offences, in accordance with the Prosecution Policy of the Commonwealth.

**Anyone with information about any cartel conduct is urged to call the ACCC Cartel Hotline on (02) 9230 3894 or email [cartelimmunity@accg.gov.au](mailto:cartelimmunity@accg.gov.au)**

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