

# **TRADE ASSOCIATION GUIDELINES**

## **INTRODUCTION**

Trade associations can perform useful and legitimate functions as part of commerce in the United States. Trade associations can be instrumental in developing safety, environmental and scientific standards and improvements in an industry. Associations can also be instrumental in promoting consumer awareness and political objectives of a particular commercial group.

The Concrete Foundations Association does participate in certain trade association activity that is shown to benefit CFA commercial interest.

## **CAUTIONARY NOTICE**

Trade associations do present special concerns under the antitrust laws because the associations often involve direct contact and communication between and among companies and other entities that are competitors in the marketplace. Therefore, special care must be taken by all CFA attendees at trade association meetings or other events to ensure that no conduct can be construed as improper under the antitrust laws. Remember that the antitrust laws are not held in abeyance simply because competitors may be acting as part of a trade association.

Besides formal and scheduled business events, trade association gatherings often include social events such as golf outings, dinners and hospitality rooms. These settings are inherently suspicious to antitrust regulators and enforcement authorities. TCA attendees should never engage in discussions regarding agreements as to prices, customers or territories with known competitors at trade association functions.

CFA will weigh the benefit of membership or participation in any particular trade association against the possible increased antitrust risks that such trade association may create for CFA participants in trade association activities should advise their supervisor or business lawyer for their group if they overhear improper discussions between or among competitors at a trade association.

## **BASIC ANTITRUST PROHIBITIONS**

The basic rules of the road for antitrust compliance apply at all trade association functions. The basic prohibitions include any agreements between or among competitors to:

- Fix or set prices for selling products or services or buying inputs for vendors
- Allocate geographic markets or customers between or among competitors
- Rotate successful bidders, or otherwise distort the bidding process
- Boycott certain customers or vendors
- Set or adhere to production or other output levels

## **PROPER PROCEDURES**

First and foremost, trade association activity should not violate any of the prohibitions described. Where possible, agendas should be reviewed prior to attendance at a trade association meeting or function.