

Antitrust Reminder

What You CANNOT Do

Generally, the rules mandate that there can be no discussion or activity that tends to:

- Raise, lower, or stabilize prices.
- Restrict terms of sale (*including discounts, credit terms, or warranties*).
- Regulate production levels or schedules.
- Allocate markets, territories, or customers.
- Encourage boycotts of products or services.
- Foster unfair advertising or merchandising practices.
- Discourage anyone from manufacture or sale.
- Result in illegal brokerage or rebates.
- Cause improper reciprocity in dealing.

Specifically, you cannot discuss:

- Specific past or future prices, terms, or bids.
- Cost information, if it leads to boycotting of suppliers.
- Specific customers, except regarding credit history (and then only under well-defined rules).

Members should object to continued discussion in areas in which they feel there is possible antitrust exposure until the advice of legal counsel can be procured.

What You CAN Do

On the positive side, as long as you can stay away from the areas indicated to be in danger of antitrust violations, discussions and activities can cover a wide range of business activities, including:

- General industry economic trends.
- Advances or problems in technology or research.
- Ways in which an individual firm can become more profitable by understanding its cost or production data.
- Effective methods of purchasing, manufacturing, and marketing.
- Various aspects of the science and art of management.
- Industry relations with local, state, or federal governments.
- Experiences and developments in industrial relations.
- Efforts toward improvements, standardization, and simplification of products.
- Ways to respond to consumer and environmental activists.

Specifically, you can discuss and learn about costs and ROI, including:

- Cost accounting and cost modeling principles.
- Components of total costs (overhead, labor, and materials)

Furthermore,

- Competitors can and should be taught how to determine total costs.
- It can be emphasized that return on investment is the concept upon which every business must be judged.
- Industry capacity can be discussed in detail.

Members of the Paperboard Packaging Council (PPC) include business competitors who join together at meetings to take action to benefit the entire membership. Because any meeting of business competitors has the potential for violations of federal antitrust laws, whether the violations are intentional or inadvertent, all participants in PPC meetings will strictly adhere to these legal guidelines.

PPC members should realize that any opinion expressed or conclusion reached cannot in any way be binding upon them, and they are free to make independent decisions in matters that affect competition.

