### Key Risk Factors

1. Mature or declining industry
2. Participation in industry associations
3. Vertical integration (competitors are also customers or suppliers)
4. Performance-based compensation
5. Concentrated industry with few competitors
6. Ease of gaining competitive intelligence
7. Regularity of joint ventures in the industry
8. Recent deregulation

### What do you need to build an effective compliance program?

- **Management Commitment and Support**: Actively foster a culture of compliance and demonstrate a “continuous and unequivocal commitment to compliance”.
- **Risk-Based Corporate Compliance Assessment**: Engage a trusted advisor to conduct a corporate governance assessment.
- **Corporate Compliance Policies and Procedures**: Tailor and present policies and procedures in a manner that is most appropriate to the company’s operations and employees’ daily activities.
- **Training and Education**: Provide “at risk” employees with practical and effective ongoing training.
- **Monitoring, Auditing and Reporting Mechanism**: Establish an effective external reporting mechanism and regularly audit business activities as appropriate.
- **Consistent Disciplinary Procedures and Incentives for Compliance**: Establish and enforce a disciplinary code for employees, including management, who initiate or participate in conduct in contravention of the Competition Act.
- **Compliance Program Evaluation**: Regularly evaluate the compliance program to ensure it remains effective and relevant to the business, its employees and the industry.

### STAKES ARE HIGH

The potential legal, economic and reputational risks of non-compliance are real and must be effectively managed by businesses as part of their overall risk-management strategy.

### IS YOUR COMPANY AT RISK?

- **Car Gears** - Over $25 million in fines
- **Bearings** - Over $5.5 million in fines, including $5 million against SKF Canada
- **Chocolate** - Over $4 million fine against Hershey
- **Government IT Services** - Over $3.5 million in fines against Microtime Inc. and 6 individuals

### FINES

- **Auto Parts** - Over $3.7 million in fines, including $1.8 million against Yazaki Corporation
- **Air Cargo** - Over $1.5 million in fines
- **Bearings** - Over $5.5 million in fines, including $5 million against SKF Canada
- **Chocolate** - Over $4 million fine against Hershey
- **Government IT Services** - Over $3.5 million in fines against Microtime Inc. and 6 individuals

### SEVERE PENALTIES

1. **up to 14 years in jail**
2. **Class actions for damages**
3. **Reputational damage**
4. **Deliberate from federal government procurements**
5. **Personal risk/liability**

### Class actions

- For damages
- For damages
- For damages

### Reputational damage

- For damages
- For damages

### Deliberate from federal government procurements

- For damages
- For damages

### Personal risk/liability

- For damages
- For damages

### Competition Law Compliance in Canada

NOT HAVING A CREDIBLE COMPLIANCE PROGRAM CAN EXPOSE YOUR BUSINESS TO

### Not Having a Credible Compliance Program

- **Severe penalties**
- **Class actions for damages**
- **Reputational damage**
- **Deliberate from federal government procurements**
- **Personal risk/liability**