

## Polyurethane Foam

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In January 2014, the European Commission fined the five major producers of flexible polyurethane foam – Vita, Carpenter, Recticel, Greiner and Eurofoam – a total of €114 million for participating in an unlawful price-fixing cartel.

### **The Cartel**

The companies colluded to coordinate the sales prices of flexible polyurethane foam for nearly five years, from October 2005 until July 2010, in ten European Member States: Austria, Belgium, Estonia, France, Germany, Hungary, the Netherlands, Poland, Romania and the UK. The cartelists organized price coordination meetings at all levels of European management met on the margins of European and national associations and had numerous telephone and other bilateral contacts. The aim of the cartel was to pass on raw material price increases of bulk chemicals to customers and avoid aggressive price competition between the five producers.

The EC Decision concerned flexible polyurethane foam, which is mainly used in household furniture such as mattresses or sofas. Applications in the automotive sector – in particular for car seats – also account for around a quarter of the total flexible polyurethane foam market in the European Economic Area. The public decision is forthcoming.