

12 December 2024

Spotless, Ventia and senior executives in Court for alleged price fixing cartel for services at Defence bases

The ACCC has started civil cartel proceedings in the Federal Court against two companies - Spotless Facility Services Pty Ltd (a subsidiary of Downer EDI Limited - ASX: DOW) and Ventia Australia Pty Ltd (a subsidiary of Ventia Services Group Limited ASX: VNT) - and four senior executives, for alleged price fixing relating to estate maintenance and operation services for the Department of Defence (Defence).

Spotless and Ventia each provide services to Defence under separate billion-dollar contracts to over 200 major Australian Defence Force (ADF) bases and other properties across Australia, including Lavarack Barracks, Victoria Barracks, Royal Military College Duntroon, Puckapunyal and numerous RAAF bases.

The ACCC alleges that on three occasions between April 2019 and August 2022, Ventia and/or Spotless made or attempted to make arrangements or understandings containing provisions which had the purpose, effect or likely effect of fixing, controlling or maintaining the prices at which these services would be supplied to Defence under specific programs of works.

The ACCC alleges this is a breach of the cartel provisions in the Competition and Consumer Act.

It is alleged that during this period on various occasions, Spotless is alleged to have given effect to two of the arrangements or understandings, and Ventia is alleged to have given effect to one of the arrangements or understandings.

Senior executives Jacob Bonisch and Jeffrey Collins who are employed within the Spotless corporate group, and Ventia senior executives Gavin Campbell and Lena Parker are also alleged to be involved in aspects of the conduct.

"The allegations in this case relate to alleged conduct by two large, sophisticated companies providing services which are critical to the operation of Australian Defence facilities under longstanding, publicly funded Defence procurement contracts," ACCC Chair Gina Cass-Gottlieb said.

"We allege this conduct caused direct harm to the Commonwealth and ultimately Australian taxpayers. One of the programs of work that we allege was the subject of a price fixing agreement related to a program funded by the Australian government to stimulate work for small to medium enterprises during the COVID-19 pandemic, when many individuals and businesses were experiencing financial hardship."

The ACCC is seeking declarations, civil penalties and costs against the companies, as well as the four senior executives, and also disqualification orders against three of them in relation to the alleged conduct.

Background

Ventia and Spotless hold separate contracts with Defence for estate maintenance and operation services which are known as Defence Base Services Contracts. The ACCC understands the current contracts are due to expire in around mid-2025. The alleged

conduct in this case occurred without Defence's knowledge and was allegedly engaged in by service providers who were trusted suppliers of services to Defence.

These Base Services Contracts provide for Defence to issue work orders relating to specific programs of works or opportunities, such as those which are the subject of these proceedings.

Spotless delivers integrated facilities services for customers across government, education, healthcare and aged care. At the time of the alleged conduct Jacob Bonisch was the Executive General Manager of Spotless Defence and Jeffrey Collins was the General Manager of Operations for Spotless Defence.

Ventia, formerly known as Broadspectrum (Australia) Pty Ltd, provides infrastructure and facilities management services to the defence and social, infrastructure, telecommunications and transport sectors. At the time of the alleged conduct Gavin Campbell was the Executive General Manager of Ventia Defence and Lena Parker was and remains the General Manager of Ventia Energy Solutions.

Notes to editors

A cartel exists when businesses agree to act together instead of competing with each other. Price fixing is a type of cartel conduct that involves competitors agreeing on pricing instead of competing against each other.

More information about different types of cartel conduct can be found on the ACCC's website at [Cartels](#).

The ACCC works to detect alleged cartels including through education programs, proactive intelligence gathering and data assessment and working with overseas counterparts to identify alleged cartels that operate on a global level.

Anyone who thinks they may be involved in alleged cartel conduct is urged to call the ACCC Cartel Immunity Hotline on (02) 9230 3894. More information about the immunity process is available on the ACCC website at [Cartels](#). They can also report alleged cartel conduct by using the [anonymous cartel portal](#).

Public procurement officials who want to know more about detecting alleged cartels are encouraged to contact the ACCC Cartel Outreach team at carteloutreach@acc.gov.au.

For conduct such as the alleged conduct which occurred before 9 November 2022, the maximum civil penalty which may be ordered by the Court for breach is the greater of:

- \$10 million,
- if the court can determine the total value of the benefits that have been obtained by one or more persons and that are reasonably attributable to the act or omission - three times the total value of the benefits, or
- if the Court cannot determine the total value of the benefits, 10 per cent of the annual turnover (as defined) of the body corporate during the 12 months ending at the end of the month in which the act or omission occurred.

The maximum civil penalties for cartel conduct by corporations were substantially increased from 9 November 2022.

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[acc.gov.au/media](https://www.accc.gov.au/media)

Concise Statement
PDF

The document available at this link contains the ACCC's Concise Statement, which provides a summary of the ACCC's case. Confidential information in the Concise Statement has been redacted. We will not be uploading further documents.