

## ACCC commences proceedings against Cryosite Ltd for alleged cartel conduct

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The Australian Competition and Consumer Commission (**ACCC**) has commenced legal proceedings in the Federal Court against Cryosite Ltd (**Cryosite**), a biotech company which specialises in biorepository and cord blood and tissue banking in particular.

In June 2017, Cryosite agreed to transfer its cord blood and tissue banking business to Cell Care Australia Pty Ltd (**Cell Care**)– the only other private supplier of cord blood and tissue banking in Australia. The agreement between the parties required all customer enquiries to be directed to Cell Care prior to the acquisition being completed.

The ACCC alleged that this amounted to cartel conduct through the allocation of customers from Cryosite to Cell Care and “gun-jumping”, whereby competitors who are parties to a merger or acquisition in some way combine before the completion of the transaction.

Rod Sims, the ACCC Chair, said that this is the first time the ACCC has commenced proceedings in relation to gun jumping. They are seeking declarations, financial penalties, mandatory compliance training and legal costs from Cryosite.

You can read the ACCC’s full media release [here](#).

### People that can help



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