

CMA fines company and employees for obstructing dawn raid in warning to businesses and individuals

October 2026

The Competition and Markets Authority (CMA) has fined M&J Group and two employees after evidence was concealed during a dawn raid conducted as part of an ongoing bid-rigging investigation. The decision is significant because it appears to be the first time the CMA has imposed civil penalties on individuals for obstructing a competition investigation. It also serves as a reminder that businesses and employees may face substantial penalties for failing to cooperate with CMA investigations, irrespective of whether any underlying competition law infringement is ultimately established.

What happened?

The CMA has imposed fines totalling £50,000 on construction company M&J Group and two members of staff after evidence was concealed during a CMA inspection carried out pursuant to a court warrant. The case demonstrates the CMA's willingness to pursue enforcement action against both businesses and individuals who obstruct investigations.

The CMA was conducting an inspection as part of its investigation into 12 construction companies suspected of bid-rigging in relation to public and private sector contracts, including projects funded through the Department for Education's Condition Improvement Fund.

According to the CMA:

- (i) M&J's Estimating Director, Barry Pirrie, instructed the company's Office Manager, Tracey Woods, to remove a work mobile phone and associated paperwork from the premises
- (ii) Mr Pirrie falsely stated to CMA investigators that he did not possess a work mobile phone
- (iii) Although the materials were returned later the same day, the CMA concluded that the concealment risked the loss of relevant evidence and had hindered the investigation

The CMA imposed the following penalties:

M&J Group – £25,000

Barry Pirrie – £20,000

Tracey Woods – £5,000

Importantly, the fines relate solely to failures to comply with investigatory requirements and do not constitute findings that competition law has been breached in the underlying bid-rigging investigation, which remains ongoing.

Why this matters

The decision is notable not because of the size of the fines, but because it demonstrates the CMA's willingness to pursue procedural misconduct aggressively and to impose liability on individuals as well as companies. For many businesses, the most immediate competition law risk may arise not from the underlying investigation itself, but from failures in how employees respond to it.

First, the CMA appears increasingly willing to pursue individuals, as well as companies, for conduct that obstructs investigations. The penalties also reinforce that employees cannot assume responsibility rests solely with the company. Instructions to conceal information, remove devices or mislead investigators may expose individuals to separate regulatory consequences.

Second, procedural failings may result in penalties regardless of whether any substantive competition law infringement is ultimately established.

Third, the case comes against the backdrop of significantly strengthened CMA enforcement powers under the Digital Markets, Competition and Consumers Act 2024. Since January 2025, businesses that fail to comply with CMA investigatory requirements may face:

- Fixed penalties of up to 1% of annual turnover
- Daily penalties of up to 5% of daily turnover

Because the conduct in this case occurred before those powers took effect, the penalties were imposed under the previous framework. Similar conduct today could attract substantially larger sanctions. In larger organisations, turnover-based penalties may far exceed the levels imposed in the M&J case.

What can the CMA do during a dawn raid?

During a dawn raid, CMA investigators may be able to:

- Enter premises under a warrant
- Inspect and copy electronic records
- Access mobile devices used for business purposes
- Review emails and communications platforms
- Require documents to be preserved
- Ask employees factual questions relating to the investigation

Businesses should ensure employees understand that deleting documents (including emails, SMS and instant messages such as WhatsApp), concealing information, removing devices or misleading investigators may itself constitute a breach.

Public procurement implications

The underlying investigation concerns alleged bid-rigging in procurement markets, an area that has become a key CMA enforcement priority.

Businesses involved in public procurement should note that antitrust investigations can have consequences beyond regulatory fines, including exclusion risks, contract disputes, damages claims and reputational harm. These considerations make early legal advice particularly important where procurement-related concerns arise.

The construction sector has been the subject of repeated CMA investigations, including enforcement activity relating to demolition services, pre-cast concrete products and public procurement-related bid-rigging. More broadly, the CMA has identified protecting public expenditure and ensuring value for money in public procurement as a significant area of focus.

Where a competition law infringement is established, businesses may face:

- Exclusion from public procurement proceduresContract termination risks
- Damages claims by customers or contracting authorities
- Increased scrutiny from public sector bodies

Businesses may also need to consider whether "self-cleaning" measures are required to preserve eligibility for future public contract opportunities.

Practical actions for businesses

Businesses should consider:

- Reviewing and updating dawn raid response procedures
- Providing regular competition law and investigation-response training to their employees
- Ensuring employees understand document and data preservation obligations for electronic and hard-copy documents
- Establishing clear escalation procedures so that legal counsel is contacted immediately upon any regulatory visit or inspection
- Testing investigation response plans through mock dawn raids and compliance exercises

If potential cartel or bid-rigging conduct is identified internally, seeking legal advice promptly. In appropriate circumstances, cooperation with the CMA, including through leniency mechanisms, may significantly reduce exposure.

Dawn raid checklist

If the CMA arrives:

- Notify legal counsel immediately
- Verify investigators' authority and warrant
- Do not destroy or alter documents
- Do not remove devices or records
- Designate a response team to accompany investigators
- Engage senior IT team members to assist with data access and preservation
- Maintain a record of information reviewed and copied

Key takeaway

While the underlying bid-rigging investigation remains ongoing, the CMA's message is already clear: attempts to conceal, remove or withhold evidence during an investigation will be treated as a serious breach in their own right. Businesses should ensure that senior management and employees understand their obligations before regulators arrive at the door, not afterwards.

Please get in touch with any of the contacts below if you would like to discuss further.

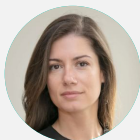
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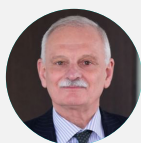
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