

Antitrust Compliance Statement

Since 1933, APA has maintained strict compliance with state and federal antitrust laws and other laws that prohibit unfair competition. As an association with a focus on product standards and public safety, APA has adopted policies and procedures to ensure competitive fairness in its quality inspection, testing and standards development. APA strives to base all standards upon objective scientific and/or regulatory criteria with a focus on safety and not more restrictive than necessary to address the relevant issue. The Association has adopted the following guidelines to assist members, boards, committees, officers and employees with antitrust compliance.

Antitrust Law

Antitrust laws aim to preserve a free, competitive economy and trade within the United States and in commerce with other countries. Competitors may not restrain competition among themselves and others on matters relating to the price, or the quality, distribution and outputs of their products, and they may not act in concert to restrict competitive capabilities or opportunities of their competitors, suppliers or customers. Direct or indirect agreements between or among competitors that restrain competition need not be explicit to violate antitrust laws. Inferences drawn from suspect activities create problems as well. Therefore, everyone must be sensitive not just to obvious violations but also to appearances that can invite litigation.

Some agreements among competitors automatically violate antitrust laws, such as price fixing, agreements on other aspects of purchase and sales, limits on production or capacity, refusals to deal, market allocations, and bid rigging. Other agreements among competitors require analysis to determine whether the activity affecting competition constitutes an unreasonable restraint.

For example, while membership in APA confers benefits that non-members do not enjoy, if membership rules are fair, the effect upon competitors is not unreasonable.

Basic Compliance Guidelines

- 1. Don't discuss with other members your own or competitors' prices, or anything that might affect prices such as costs, discounts, terms of sale, or profit margins.
- 2. Don't make public announcements or statements about your own prices or those of competitors at APA meetings or functions.
- 3. Don't discuss your own or competitor plans for particular geographic or product markets.
- 4. Don't disclose to others any competitively sensitive or proprietary information.
- 5. Don't remain present in any place where any of the above discussions are taking place.
- 6. Conduct all meetings in accordance with pre-approved agendas and keep minutes.
- 7. Follow APA antitrust policy and guidelines in all communications, whether in person, by phone, email, social media, or any other method.
- 8. Consult with designated APA officers or general counsel before raising any topic or making any statement which may implicate any of these antitrust guidelines, or which may otherwise have competitive implications.

John S. Conniff, General Counsel Revised October 2019