

SAMPLE Company Antitrust Policy

ABC REALTORS® maintains a strong policy against any antitrust involvement by the company, its agents or employees. Few obligations can be taken more seriously than this area. ABC REALTORS® requires each person associated with the company to participate in antitrust education and acknowledge his/her understanding of these principles. Two areas are the primary antitrust focus.

PRICE – FIXING

Price fixing means any agreement, setting, consent to, suggestion or implication with a competitor regarding a fee to charge. This includes fees charged to the public, fees splits among brokers, and fees paid to agents. “Agreement” can be overt, covert, express, or implied. It is very broad-based and can even be suggested or implied by casual conversation with any competitor.

According to ABC REALTORS®, its agents, and staff are prohibited from any discussion with any competitor, including an individual agent, any aspect of the fees the company charges or how total fees are split. ABC REALTORS® determines the charges based on the company’s own independent internal analysis of its expenses, its revenue, its desired profit level, and its choice of the type and level of service it desires to provide.

In any discussion with a member of the public about charges (such as a listing appointment), the only acceptable answer about why the company charges what it does is the foregoing explanation. Do not be drawn into a discussion about company fees as “the standard rate”, “the Board rate,” “the typical rate,” or the like. If questions arise about the company’s fees, suggest that the potential client call several competitors and ask about their rates.

BOYCOTTING COMPETITION

It is also a violation of federal law to make any agreement, express or implied, with a competitor to boycott or otherwise not deal with a third competitor. For example, assume Discount Realty opens an office. Then assume Bob Broker, an agent with Big Bucks Broker, and Alice Agent, an agent with Just as Big Broker, are having lunch one day and discuss the competitive impact of Discount Realty. Bob and Alice agree that Discount is a danger to their large listing portfolios, and further agree that, individually, they will not show Discount’s listings because “something has got to be done about that price-cutting monger.” This simple agreement with two agents is an illegal boycott. Even if it was implicit and not overt, it could be construed as an illegal boycott.

ABC REALTORS® prohibits any agent or staff member from making any agreement or suggestion with a competitor, including an individual agent, that he/she or the company will not deal with a third broker or agent, whether it be a listing company, buyer’s brokerage, discount broker, or any other broker or agent whatever.