

BREAKING NEWS: The End of OnTheMarket? Portal In The CMA Firing Line For Yet More Unethical Practices

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Today the Competition and Markets Authority (CMA) has issued an open letter to the UK estate agency sector, warning that colluding with other agents and making a joint decision on which property portals to list on, may be a breach of competition law and could result in severe repercussions.

The CMA have become aware that a number of agents have made joint decisions to list with failing property portal OnTheMarket, rather than one of the leading portals such as Zoopla. The agents in question have been contacted, however, the CMA have warned that failure to come to this decision independently, could see more agents land themselves in the firing line.

The CMA is working closely with the National Association of Estate Agents and the Property Ombudsman to help raise awareness of the breach, but it's not the first time this issue has been raised and seems to be a case of too little too late.

Founder and CEO of leading fixed fee estate agent eMoov.co.uk, Russell Quirk, commented:

"The first thing that strikes me about this latest announcement is that it's about time given that I submitted a complaint to the CMA over a year ago.

The success of the online estate agency sector to date has been based on its consumer-first approach. But since day one OnTheMarket has moved against this consumer and has subjected its member agents and their customers to a dated, anti-consumer way approach that narrows choice. As a result, it's downfall was bound to be a swift one and that is certainly playing out in front of us all now.

Given the portal's monumental failure, it's beyond me why any agent would still be considering listing with OTM at the expense of either Zoopla or Rightmove, let alone conspire with other agents to do so in number.

For those OTM member agents that are unsure whether they may have breached any laws, my advice would be to seek legal advice, and quick. The penalties for this sort of collusion are hefty, to say the least, and the CMA won't take them lightly. 10% of global turnover is the current fine level and so for some of the big boys potentially implicated here that could be hundreds of millions of pounds.

Many of the founding OTM agents such as Savills, Knight Frank, Strutt and Parker and Douglas and Gordon etc dropped Zoopla in favour of OnTheMarket and all sat together as board members of OTM in doing so. How will they defend themselves now and say 'we didn't discuss dropping Zoopla together?

The OTM ship has been sinking for some time now especially given recent revelations at agents leaving them in droves and OTM trying to sue them, but its member agents can limit their exposure in this latest debacle by leaving OTM or lobbying to drop the one portal rule. So jumping ship whilst there is still a ship to jump from may be a smart idea, although those already contacted by the CMA due to their involvement, will probably be going down with it.

In light of this surely the NAE must step off the board and Ian Springett must step down as CEO?"

END

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