

Food for thought: landmark European Commission cartel fines in the online food delivery sector highlight heightened antitrust risks around no-poach agreements and minority shareholdings

In a ground-breaking decision, on 2 June 2025 the European Commission (Commission) [announced](#) that it had imposed a substantial EUR 329 million fine on Delivery Hero and Glovo – two key players in the online food delivery sector – for agreeing not to poach each other's employees, as well as exchanging commercially sensitive information and allocating geographic markets.

Although the full Commission decision is still to follow, this significant development is already notable for two reasons. In addition to being the first time that the Commission has sanctioned a cartel involving no-poach agreements and other labour market conduct – already an enforcement priority in Europe (and indeed globally) – this is also the first time that the Commission has found that collusion was facilitated through the anti-competitive use of a minority shareholding.

Background and the Commission's findings

In July 2018, Delivery Hero acquired a minority non-controlling stake in Glovo – progressively increasing this stake through subsequent investments and ultimately acquiring sole control in July 2022.

In essence, the Commission found that – over the four-year period where Delivery Hero held a minority stake in Glovo – the two companies engaged in the following anti-competitive practices:

1. **No-poach agreement:** Initially comprising limited reciprocal no-hire clauses for certain employees in the shareholders' agreement signed when Delivery Hero acquired the minority stake, this later became a general agreement not to actively approach each other's employees.
2. **Information exchange:** the companies shared commercially sensitive information (including on commercial strategies, prices, capacity, costs and product characteristics), which enabled them to align market conduct.
3. **Market allocation:** the companies agreed to divide amongst themselves the national geographic markets for online food delivery in the EEA, coordinating on market entry and avoiding competition in each other's territories.

As a result, the Commission fined Delivery Hero and Glovo a total of EUR 329 million (reflecting a 10% reduction, since the companies admitted their involvement in the cartel and agreed to settle).

Labour market conduct remains firmly "on the menu" for European antitrust regulators

Whilst this is the first time that the Commission has itself sanctioned a cartel involving no-poach agreements, the Commission's decision to do so is not particularly surprising. Indeed, with senior officials repeatedly indicating that labour market issues are a key area of concern for the Commission – and with a number of Member State national competition authorities having already launched their own recent and high-profile investigations in this space (e.g., in Belgium, Portugal and Romania) – it seemed only a matter of time before the Commission joined the fray, and this latest development has notably been followed within a mere matter of days by a French decision imposing fines of nearly EUR 30 million for no-poach agreements.

That being said, the Commission's decision in this case (which notably also seems to confirm that, as originally stated in the Commission's [May 2024 Policy Brief](#), "non-poach agreements generally qualify as restriction by object under Article 101(1) TFEU") and the significant penalties imposed – especially

following so soon after the UK CMA's own first-ever labour market investigation, which resulted in fines for pay-related collusion (see [VBB on Competition Law, Volume 2025, No. 3](#)) – should serve as a clear reminder that no-poach agreements and other labour market conduct can create material risks in Europe, where competition authorities increasingly view them as an enforcement priority. Moreover, since the Commission and CMA have now levied their first fines in this area, future similar infringements are likely to result in even greater penalties (as well as other severe consequences, such as substantial reputational damage – and, in the UK, potential individual criminal liability and director disqualification). For more information on the key factors highlighting why that is the case, see our [client alert](#).

Minority shareholdings – care required

Another noteworthy element of the Commission's decision is the finding that the anti-competitive practices in question were facilitated through the use of a minority shareholding. In particular, and whilst the Commission was careful to note that owning a stake in a competitor is not in itself illegal, the Commission nevertheless found that – in this specific case – such minority stake (i) enabled anti-competitive contacts between the two companies at several levels; and (ii) allowed Delivery Hero to obtain commercially sensitive information and influence decision-making processes in Glovo (and, thus, ultimately align the two companies' respective business strategies). Moreover, recent publicly reported [comments](#) from Commissioner Teresa Ribera suggest that – especially following this case – the Commission will be paying closer attention to potential issues regarding minority shareholdings.

Accordingly, and perhaps especially in sectors where cross-ownership between competitors is more common, businesses should ensure that legitimate partnerships do not facilitate collusion through illegal information flows – and, in this context, it may also be prudent to review relevant shareholder agreements and other corporate structures (in order to further mitigate potential competition law risks).

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