

BLOG



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The U.S. Department of Justice's Antitrust Division has launched a new <u>Whistleblower Rewards Program</u> offering for the first time—financial incentives to individuals who "report antitrust crimes and related offenses that harm consumers, taxpayers, and free market competition across industries from healthcare to agriculture." The program mirrors a similar <u>initiative launched by the DOJ's Criminal Division in 2024</u> and reflects a broader push by the DOJ to encourage voluntary disclosures of corporate misconduct.

OVERVIEW

The program, <u>announced on July 8, 2025</u>, is designed to generate leads on hard-to-detect conduct such as price fixing, bid rigging, and market allocation—and it carries significant implications for companies operating in high-risk sectors. Assistant Attorney General Abigail Slater <u>explained</u> the DOJ's goal that the "Whistleblower Rewards Program will create a new pipeline of leads from individuals with firsthand knowledge of criminal antitrust and related offenses" and cautioned companies, "If you're fixing prices or rigging bids, don't assume your scheme is safe—we will find and prosecute you, and someone you know may get a reward for helping us do it."

Under the new initiative, whistleblowers who voluntarily provide original information that leads to criminal enforcement actions resulting in monetary recoveries of at least \$1 million may be eligible for rewards of 15–30% of the amount collected.

The program is administered in partnership with the U.S. Postal Service and the U.S. Postal Service Office of Inspector General, as detailed in a <u>Memorandum of Understanding</u> ("MOU") between the agencies. The USPS is a founding member of the <u>Procurement Collusion Strike Force</u>, and its partnership in this new initiative underscores the DOJ's continued focus on collusion in public procurement markets.

The MOU outlines key limitations on the whistleblower payments. First, a whistleblower may only be compensated for information that has a <u>nexus</u> to the Postal Service. The Postal Service, unlike the DOJ, has the requisite statutory power to pay whistleblowers, and that <u>statutory scheme</u> only authorizes compensation for information concerning "violations of law affecting the Postal Service, its revenues, or property."

According to the MOU, the program <u>requires</u> that "[a] whistleblower reasonably articulates violations of law affecting the Postal Service, its revenues, or property when sufficient facts and evidence are provided for a U.S. Postal

Inspection Service Official to conclude that the Postal Service has suffered an identifiable harm." Notably, "the harm need not be material or otherwise pose any substantial detriment to the Postal Service." The MOU, however, does not further explain how loosely the DOJ will interpret the "nexus" requirement.

The DOJ has emphasized that whistleblower identities will be protected, and that retaliation is prohibited under federal law. The <u>Criminal Antitrust Anti-Retaliation Act</u> prohibits retaliation against employees, contractors, or agents who report suspected criminal antitrust violations and allows whistleblowers who experience adverse employment actions to seek remedies, including reinstatement, back pay, and compensatory damages.

To support the anticipated influx of tips, the DOJ is expected to scale up its infrastructure, including staff and systems, to vet and investigate submissions more efficiently. The DOJ is promising faster and more thorough investigations once a report is filed. However, many questions are still being answered, including the extent to which the DOJ will screen out meritless or potentially spurious complaints on its own, or whether businesses that are the subject of such complaints may still have to respond to DOJ inquiries.

CONNECTION TO ANTITRUST DIVISION'S CORPORATE LENIENCY PROGRAM

The program is intended to complement—not replace—the Antitrust Division's longstanding <u>Corporate Leniency</u> <u>Policy</u>, which remains the primary avenue for companies to self-report antitrust violations in exchange for immunity or reduced penalties. The Division's Corporate Leniency Policy offers full immunity from criminal prosecution to the first organization that self-reports its involvement in a criminal antitrust conspiracy, provided it meets certain conditions. This policy has long been the cornerstone of the Division's cartel enforcement strategy.

The new Whistleblower Rewards Program introduces a parallel incentive structure for individuals—potentially including employees of companies eligible for leniency. This raises the stakes for companies when they become aware of a serious antitrust violation and are considering whether to self-report: delay or indecision could result in an insider reporting first to claim a reward. Whistleblower disclosures may independently trigger investigations that could preclude leniency eligibility altogether. The program thus increases the urgency for companies to detect and report misconduct proactively.

The introduction of financial rewards for whistleblowers also introduces new legal complexities, as prosecutors will need to consider how whistleblower motivations—especially financial incentives—may affect the credibility of their testimony. Just as leniency applicants have long been scrutinized for their cooperation agreements, whistleblowers may be susceptible to similar credibility attacks as they may be incentivized to exaggerate or misrepresent facts.

KEY TAKEAWAYS AND NEXT STEPS FOR COMPANIES

Proactive compliance, swift internal reporting, and strategic legal counsel are more critical than ever. The DOJ's Whistleblower Rewards Program introduces a new enforcement lever that increases the risk of exposure for companies engaged in—or adjacent to—criminal antitrust conduct. It creates a direct, incentivized pathway for insiders to report misconduct—confidentially and with legal protections—potentially exposing companies to criminal liability and reputational harm. The window for leniency may close quickly. Companies that participate in competitive bidding, procurement, or pricing strategies—especially any company that sells to the U.S. government, even if only a fraction of the business's total sales—should undertake a serious review of their compliance posture.

- Reassess antitrust compliance programs, particularly in procurement, pricing, and contracting functions. Companies should regularly review their antitrust compliance frameworks, with particular attention to high-risk areas such as procurement, pricing, and contracting. Policies should be updated to reflect current enforcement priorities, and training should be refreshed regularly to ensure employees understand how to identify and avoid unlawful conduct.
- Enhance internal reporting mechanisms to encourage early detection and resolution of potential issues. Organizations should ensure that employees have clear, confidential, and accessible channels to report concerns internally. A robust internal reporting system can help surface potential issues early—before they escalate into whistleblower complaints submitted to the DOJ.

- **Review third-party relationships for exposure to collusive conduct.** Companies should evaluate their relationships with vendors, consultants, trade associations, and other third parties for potential exposure to collusive behavior. This includes reviewing contract terms, communication protocols, and making sure that dealings with third parties abide by all of the company's compliance policies.
- Consult counsel regarding potential exposure and the strategic use of the DOJ's leniency program. Legal teams should proactively assess whether any past or ongoing conduct could expose the company to antitrust liability. If concerns are identified, counsel can advise on the potential benefits and risks of seeking protection under the DOJ's Corporate Leniency Policy before a whistleblower comes forward.

Bryn Hines, law clerk, co-authored this blog.

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