

# Media Statement

03 June 2010

## **Competition Commission calls upon millers to come forward and settle cartel cases**

The Competition Commission calls on firms active in the milling of white maize and wheat to approach it for possible settlement of their cases. This is a once-off offer for firms that may have been involved in cartel activity in the milling sector to come clean and cooperate with the Commission. In return, a firm that fully cooperates with the Commission will receive favourable settlement terms. Cooperation means full disclosure of information, facts, communication and/or data relating to the firm's participation in, or information about cartel activity in the milling of white maize and wheat.

Since the Commission's referral of the two cartel cases against millers of flour and white maize to the Competition Tribunal, it has received numerous approaches from the firms that were involved in what seems like endemic cartel arrangements at many regions in the country. These regional arrangements involved a lot of new players that were not cited in the cases referred to the Tribunal. It appears that the regional arrangements reinforced, overlapped and completed the national cartel arrangements. As such the milling cartel is far much wider and involves many firms that were previously uncovered. The Commission has already concluded settlement terms with some of the firms that have approached it and is in settlement discussions with others.

This communiqué is targeted at firms that were part of the cartel, especially at regional level, whether or not they are cited as respondents in the current cases before the Tribunal. This gives an opportunity to largely small regional based millers involved in these arrangements to clean up their companies and settle the matters without litigation. The Commission gives the companies involved until 30 June 2010 to approach it with the aim of settling these cases. After this date the offer will lapse and the Commission reserves its right to seek maximum penalties from the Tribunal.

Further information

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