



competition commission
south africa

Media Statement
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**THREE COMPANIES TO BE PROSECUTED
FOR ALLEGED COLLUSION IN CITY OF CAPE TOWN TENDER**

Three companies have been referred to the Competition Tribunal for alleged price fixing and collusive tendering in relation to a tender issued by the City of Cape Town Metropolitan Municipality. The companies compete in the supply and delivery of padlocks for high, medium, low voltage and access.

The Competition Commission received a complaint from the City of Cape Town in April 2016 against Cakaca AC 1892 (Pty) Ltd (Cakaca), Southern Ambition 1668 CC, (Southern Ambition) and Zamantlane Construction and Cleaning CC (Zamantlane).

In August 2014, the City of Cape Town issued invitations to tender to various companies (including the respondents) for the supply and delivery of padlocks for equipment and access.

The City of Cape Town approached the Commission after it suspected that the respondents may have exchanged documents in the process of preparing their respective tender documents.

The Commission's investigation found that the respondents colluded by discussing and coordinating the preparation of their respective bids in respect of the tender. The MD of Southern Ambition assisted in completing and signing the bid documents for all the respondents, including the pricing schedule. The Commission also found that Cakaca and Southern Ambition have common shareholders and directors.

In referring the matter to the Tribunal for adjudication, the Commission seeks an order declaring that the respondents contravened the Competition Act and that they are liable for payment of a fine equal to 10% of their respective annual turnover.

Issued by:

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