



competition commission
south africa

Media Statement
For immediate release
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GD IRONS TO PAY R4M FOR CARTEL CONDUCT

The Commission welcomes the decision of the Competition Tribunal (Tribunal) to confirm as an order a settlement agreement with GD Irons Construction (Pty) Ltd (GD Irons).

In the agreement, GD Irons agreed to pay an administrative penalty of R4 000 000 (four million).

In September 2009, Commissioner, Tembinkosi Bonakele initiated an investigation against the construction industry in general.

The investigation found, amongst other things, that GD Irons was involved in collusive tendering, markets division, and price fixing in contravention of the Competition Act.

The investigation found that GD Irons entered into a collusive tender agreement with Guiricich Brothers (Pty) Ltd (Guiricich) in November 2006.

Guiricich provided GD Irons with a cover price to a tender issued in relation to the construction of a new distribution depot for British American Tobacco South Africa.

In September 2007, Guiricich paid GD Irons a loser's fee.

[ENDS]

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