

MEDIA RELEASE
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Commission concerned about exclusive school wear agreements

The Commission has noted with great concern the emerging trend of exclusive agreements to supply school wear entered into between clothing manufacturers and schools. It has emerged that schools enter into long-term exclusive agreements with stockists or manufacturers of school clothing, rendering the arrangements susceptible to contravention of certain provisions of the Competition Act.

The Commission has in the past conducted similar investigations into different levels of the school uniform supply chain, in Gauteng and Mpumalanga and found instances of breach of the Act. An initial assessment has revealed that this could be a nation-wide practice amongst private and public schools.

In the latest case, a Cape Town parent lodged a complaint with the Commission against a school and a specialist school wear retailer that stocks unique school wear and sportswear range for over 60 schools in the Western Cape. The parent alleged that the school and most others in the area have appointed a service provider as their sole stockist for school uniforms, and that the prices charged for various uniforms are too high, leaving consumers with no alternatives.

As a growing concern, the Commission has intensified its advocacy efforts, engaging with national and provincial departments of education, and school governing bodies and other stakeholders regarding the potential anticompetitive effects that may arise from exclusive agreements with school garments providers.

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For more information:

Mava Scott, Spokesperson

012 394 3527/ 076 095 2350/ MavaS@compcom.co.za

Themba Mathebula, External Communication Coordinator

012 394 3325/ 084 896 0860/ thembama@compcom.co.za