



PRESS STATEMENT

22 July 2007

Competition Commission raids Reclam

On Friday 20 July, the Competition Commission launched a search and seizure operation on the Reclamation Group (Pty) Ltd (Reclam). The raids took place simultaneously in the Durban, Port Elizabeth and Johannesburg premises of Reclam.

Reclam is involved in the recycling of scrap metals, glass, rubber, plastic and other materials.

This search and seizure, which is the biggest operation of its kind conducted by the Commission since its inception, was conducted in terms of section 46(2)(b) of the Competition Act, 89 of 1998. This provision authorizes a judge or magistrate to issue the Commission with a search warrant allowing them and accompanying police officers to enter and search premises.

BACKGROUND

In **2006** the Commission initiated a complaint against the Reclam, SA Metal and Machinery Co., National Scrap Metal (Cape Town) (Pty) Ltd and Cape Town and Steel Work (Pty) Ltd. The complaint related to a suspicion that the parties were involved in fixing of prices and trading conditions in contravention of section 4(1)(b)(i) of the Act.

During the course of this investigation, the Commission came across evidence that appeared to implicate [REDACTED] in bid-rigging [REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]



[REDACTED]

5. [REDACTED]

As a result of this information, the Commission decided to extend the existing investigation against Reclam, SA Metal & Machinery Co. and National Scrap Metal to include collusive tendering. The Commission then secured from the courts warrants to search the properties of the Reclam for further evidence of bid rigging.

[REDACTED]

The information gathered will be used as evidence in the ongoing investigation and to verify whether similar activity has occurred in the past [REDACTED]

ENDS

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