



competitioncommission
south africa

MEDIA RELEASE

31 March 2016

Competition Commission raids premises of PG Bison and Sonae

Today, 31 March 2016, the Competition Commission (Commission) is conducting a search and seizure operation at the Gauteng premises of PG Bison (Pty) Ltd (PG Bison) and Sonae Novobord (Pty) Ltd (Sonae) as part of an investigation into alleged collusion. PG Bison and Sonae are the only two manufacturers of particleboard and Medium Density Fibreboard (MDF) in South Africa. These are wooden products that are used in a variety of applications, including the manufacture of home and office furniture, built in cupboards, kitchen units, coffins and shop fittings.

The Commission has reasonable grounds to suspect that PG Bison and Sonae have engaged in collusive practices in contravention of the Competition Act. The search operation is conducted as part of an ongoing investigation against the two firms and with due regard to the rights of all the affected persons. During the search the Commission will seize documents and electronic data, which will be analysed together with other information gathered to determine whether a contravention of the Competition Act has taken place.

In terms of section 48 of the Competition Act, the Commission is authorised to enter and search premises and seize documents which have a bearing on an investigation. The Commission has obtained warrants authorizing it to search the offices of PG Bison and Sonae at the North Gauteng High Court, Pretoria.

“Cartels are harmful because they result in high prices for consumers and reduce the incentive for firms to be innovative. It is for this reason that the investigation of cartels continues to be a priority for the Commission. Should this investigation uncover evidence of collusion, we will prosecute the firms involved for contravening the Competition Act,” said Competition Commissioner, Tembinkosi Bonakele.

Ends

For more information:

Itumeleng Lesofe, Spokesperson

012 394 3287/ 073 805 7733/ ltumelengL@compcom.co.za