



competition commission
south africa

MEDIA RELEASE

11 August 2016

COMPETITION COMMISSION FILES SIX CARTEL COMPLAINTS WITH THE COMPETITION TRIBUNAL

The Competition Commission (Commission) has referred six complaints to the Competition Tribunal (Tribunal) against 13 firms for various contraventions of section 4(1)(b) of the Competition Act. The Commission's referral of these complaints follows investigations which uncovered evidence implicating the respondent firms in collusive practices. Below is the summary of each complaint.

CAXTON AND NATAL WITNESS PRINTING AND PUBLISHING COMPANY

This is a referral against Caxton and CTP Publishers and Printers Ltd (Caxton) and Natal Witness Printing and Publishing Company (Pty) Ltd (Natal Witness) for dividing the market for the provision of community newspapers in the Howick area in KwaZulu-Natal.

The Commission found that Caxton and Natal Witness agreed to divide market for the provision of community newspapers in the Howick area. This conduct constitutes market division by allocating territories in contravention of section 4(1)(b) of the Act.

PLASSER RAILWAY MACHINERY, RAILWAY MECHANISED MAINTENANCE COMPANY AND LENNINGS DEC RAIL SERVICES

This referral is against Plasser Railway Machinery South Africa (Pty) Ltd (Plasser), Railway Mechanised Maintenance Company (Pty) Ltd (RMMC) and Lennings Dec Rail Services (Pty) Ltd (Lennings) for colluding when bidding for rail maintenance tenders issued by Transnet.

The Commission found that between 1997 and 2013 Plasser, RMMC and Lennings agreed to allocate rail maintenance tenders issued by Transnet amongst each other when bidding. This conduct constitutes collusive tendering in contravention of section 4(1)(b) of the Competition Act.

SEARDEL GROUP TRADING T/A BERG RIVER TEXTILES AND EYE WAY TRADING

This referral is against Seardel Group Trading (Pty) Ltd trading as Berg River Textiles (Seardel Group) and Eye Way Trading for colluding when bidding for two tenders issued by the National Treasury for the supply of fabric used to manufacture uniforms for the then Department of Correctional Services, the South African Air Force and the South African Military Health Services.

The Commission found that Seardel Group and Eye Way agreed on prices they would use when bidding for these tenders. This conduct constitutes collusive tendering in contravention of section 4(1)(b) of the Competition Act.

HUDACO TRADING AND FERMEL

This is a referral against Hudaco Trading (Pty) Ltd (Hudaco) and Fermel (Pty) Ltd (Fermel) for colluding when supplying Casappa branded gear pumps to customers in the after sales market.

The Commission found that Hudaco and Fermel agreed to divide markets by allocating customers among themselves. This conduct constitutes market division by allocating customers in contravention of section 4(1)(b) of the Act.

GLOBAL COFFEE EXPORTS AND SECRET RIVER TRADING CC T/A CAFFELUXE

This is a referral against Global Coffee Exports Ltd (GCE) and Secret River Trading CC t/a Caffeluxe (Caffeluxe) for colluding when selling coffee capsules to retailers.

The Commission found that GCE and Caffeluxe agreed on prices they should charge to retailers. This conduct constitutes price in contravention of section 4(1)(b) of the Act.

TODAY'S DESTINY TRADING AND PROJECT & RAITE SECURITY SERVICES AND CONSULTING

This referral is against Today's Destiny Trading and Project 81 CC (Today's Destiny) and Raite Security Services and Consulting CC (Raite) for colluding when bidding for a tender issued by the Council for Geoscience for the provision of security services at the Geoscience Council's offices in Pretoria.

The Commission found that Today's Destiny and Raite agreed on prices they would use when bidding for this tender. This conduct constitutes collusive tendering in contravention of section 4(1)(b) of the Act.

Ends

For more information:

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