



Press Release
For Immediate Release
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ST GOBAIN AND OTHERS CHARGED WITH CARTEL CONDUCT

Two companies that compete in supplying glasswool insulation material have been referred for prosecution to the Tribunal for price fixing and dividing markets.

This follows an investigation by the Commission which uncovered that Saint Gobain Construction Products (Pty) Ltd and D&D Roof Insulations CC was involved in cartel conduct. . The investigation found the companies had entered into an agreement in terms of which:

- D&D Roof would stop importing base material and source finished glasswool products from St Gobain;
- They would not do business with customers that belonged to each other;
- They would not provide competitive quotes to customers not allocated to each of them in order to sustain the customer allocation arrangement; and
- They agreed on the price they will charge when supplying their glasswool products to their respective customers.

This conduct amounts to price fixing and market division by allocating customers which contravene section 4(1)(b)(i) and (ii) of the Competition Act, 89 of 1998 as amended.

Background

In September 2016, the Commissioner initiated a complaint against Saint Gobain Construction Products (Pty) Ltd and D&D Roof Insulations CC for price fixing and dividing markets by allocating customers in contravention of section 4(1)(b)(i) and (ii) of the Competition Act.

Saint Gobain Construction Products (Pty) Ltd and D&D Roof Insulations CC are suppliers of glasswool products. Glasswool is a thermal insulating material made from fibres of glass arranged using a binder into a texture similar to wool. It is used to insulate flat surfaces such as cavity wall insulation, ceiling tiles, curtain walls as well as ducting.

Saint Gobain's brand of glasswool is called Factorylite and D&D Roof's brand name is Starlite.

[ENDS]

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