



competition commission
south africa

Media Statement

For Immediate Release

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CAPE FIRM CHARGED FOR INFLATING PRICES OF SANITIZER

The Competition Commission has referred to the Competition Tribunal for prosecution an industrial chemicals company, Caprichem (Pty) Ltd (Capri Chem), for excessive pricing during the State of National Disaster.

The prosecution follows an investigation by the Commission which found that Capri Chem charged excessive prices on a 5L hand sanitizer to the detriment of customers and consumers in contravention of the Competition Act read with Regulation 4 of the Consumer Protection Regulations.

Capri Chem, a manufacturer of industrial chemicals based in the Western Cape, supplies different types of chemicals for cleaning and surface treatment to various industries such as automotive, construction, hospitality, laundry, personal care, food and beverages.

The Commission received complaints from the public against Capri-Chem for engaging in excessive pricing on a 5L hand sanitizer from March 2020.

The Commission found that Capri Chem increased its prices of 5L hand sanitizer from R262.00 to R527.00 (including VAT).

This increase constitutes 91% increase in gross profit margin and 1918% increase in net profit margin.

The Commission has asked the Tribunal to impose a maximum penalty against Capri Chem.

[ENDS]

Issued by:

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