



**competition commission**  
*south africa*

**Press Release**

**For Immediate Release**

**14 August 2020**

**COMPETITION TRIBUNAL CONFIRMS AN ORDER AGAINST ELDAN AUTO BODY FOR  
PRICE FIXING, MARKET DIVISION AND COLLUSIVE TENDERING**

The Competition Commission (“Commission”) welcomes the decision of the Competition Tribunal (“Tribunal”) of 12 August 2020, that confirms as an order the settlement agreement between the Commission and a Gauteng based panel beating company - Life Wise (Pty) Ltd trading as Eldan Auto Body (Eldan Auto), for fixing prices, dividing market and collusive tendering in contravention of section 4 (1) (b) (i), (ii) and (iii) of the Competition Act to detriment of consumers and small auto-body repairers.

The terms of the settlement are that Eldan Auto admitted contravention of section 4(1)(b) of the Competition Act and agreed to pay an administrative penalty of **R750 000.00 (Seven Hundred and Fifty Thousand Rand)**.

This follows a complaint initiated by the Commissioner on 5 June 2014, against Eldan Auto and Precision & Sons (Pty) Ltd (Precision), for allegedly fixing prices, dividing market and collusive tendering in the provision of auto-body repair services in contravention of section 4 (1) (b) (i), (ii) and (iii) of the Competition Act.

On 4 July 2014, the Commission conducted dawn raid in the premises of Eldan Auto and Precision. On 25 May 2015, the Commission referred this matter to the Tribunal for prosecution.

The Commission’s investigation revealed that in 2011, Eldan Auto and Precision had an agreement to fix prices, divided the markets by allocating customers and tendering collusively in respect of the provision of auto-body repair services. The arrangement between Eldan Auto and Precision was implemented through the exchange of cover quotes. Eldan Auto and Precision also

coordinated their collusive arrangement through Vehicle Accident Assessment Centre (VAAC). VAAC is an assessment centre which renders vehicle assessment services to the customers of Eldan Auto and Precision.

The investigation further revealed that employees of the respondents regularly contacted each other, had meetings and discussed how to collaborate when providing quotations to clients and exchanged cover quotes and prices for panel beating and spray painting services.

**[ENDS]**

**Issued by:**

Siyabulela Makunga, Head of Communication/Spokesperson

On behalf of: The Competition Commission of South Africa

Tel: 012 394 3493 / 072 768 0238 / 067 421 9883

Email: [SiyabulelaM@compcom.co.za](mailto:SiyabulelaM@compcom.co.za)

Find us on the following social media platforms:

Twitter: @CompComSA

Instagram: Competition Commission SA

Facebook, LinkedIn and YouTube: The Competition Commission South Africa