



competition commission
south africa

Press Release

For Immediate Release

1 April 2021

**COMMISSION WELCOMES THE CONSENT AGREEMENTS ON OUTDOOR ADVERTISING
COLLUSION**

The Competition Commission of South Africa (Commission) has welcomed the decision by the Competition Tribunal (Tribunal) which confirmed as an order of the Tribunal, two separate consent agreements with two outdoor advertising firms, namely, Adreach (Pty) Ltd (“Adreach”) and Sotobe Media Holdings (Pty) Ltd (“Sotobe Media”) for contravention of section of 4(1)(b)(i) & (ii) of the Competition Act No. 89 of 1998 (“the Act”). Sotobe Media is now known as Masakhe Media (Pty) Ltd (“Masakhe Media”).

This followed the Commission’s investigation which found that from 2013, Outdoor Network, Adreach and Masakhe Media agreed to share equally the market for street pole and shopping mall pole advertising in the municipalities of eThekweni, Msunduzi, uMhlathuze, Emnambithi, Umdoni and Mbombela. These firms further agreed not to approach each other’s existing customers unless the consent of the other is obtained. They also agreed to adhere to the same rate card when selling advertising space on street poles in the eThekweni, Msunduzi, uMhlathuze, Emnambithi, Umdoni and Mbombela municipalities. This conduct amount to price fixing and market division, which contravene section 4(1)(b)(i) & (ii) of the Act.

Both Adreach and Masakhe Media admitted to price fixing and market division in the market for the provision of outdoor advertising services. Outdoor advertising includes advertising the products of third parties on street poles, billboards, shopping mall poles and litter bins.

Adreach and Masakhe Media agreed to settle the matter with the Commission. In terms of the settlement agreement, Adreach agreed to pay a **R2 500 000 (Two million five hundred thousand rand)** administrative penalty while Masakhe Media agreed to pay an administrative penalty of **R12 500 (Twelve thousand five hundred rand)**.

Further, Adreach has undertaken to provide free advertising campaigns to qualifying SMMEs, at a total value of **R1 790 901.44 (One million seven hundred and ninety thousand nine hundred and one rand and forty cents)**. Qualifying SMMEs will be those enterprises with an annual turnover not exceeding R5 million.

[ENDS]

Issued by:

Siyabulela Makunga, Head of Communication/Spokesperson

On behalf of: The Competition Commission of South Africa

Tel: 012 394 3493

Cell: 067 421 9883 (WhatsApp No: 072 768 0238)

Email: SiyabulelaM@compcom.co.za

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