



competition commission
south africa

Media Release

For Immediate Release

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GLOBAL SUPPLIER OF SPARK PLUGS FACES PROSECUTION FOR COLLUSION

On Wednesday 21 July 2021, the Competition Commission (“Commission”) filed a referral with the Competition Tribunal (“Tribunal”), for prosecution against NGK Spark Plug Company Limited (“NGK Limited”), together with its South African subsidiary, NGK Spark Plugs SA Proprietary Limited (“NGK SA”), for their involvement in price fixing, market division and collusive tendering in respect of spark plugs in contravention of section 4(1)(b)(i),(ii) and (iii) of the Competition Act, 89 of 1998, as amended (“the Act”).

The Commission seeks an order from the Tribunal to levy an administrative penalty equivalent to 10% of the annual turnover of either NGK Limited or NGK SA, the one paying the other to be absolved, in terms of section 58 (1)(a)(iii), read with section 59 of the Act.

NGK Limited is a global player in the market for the manufacture and supply of spark plugs to Original Equipment Manufacturers (“OEMs”).

The Commission investigated NGK and NGK SA as part of its investigation of 63 automotive components manufacturers alleged to have colluded on 310 separate instances involving 92 automotive components. The Commission’s investigation against NGK found that from at least 2008 NGK colluded with Denso when responding to a Request for Quotation (“RFQ”) issued by Fuji Heavy Industries (“FHI”), for the supply of spark plugs for AR18 engine installed in its Subaru Impreza, Subaru Forrester and Subaru Legacy vehicles sold in South Africa, in contravention of section 4(1)(b)(i),(ii) and (iii) of the Competition Act, 89 of 1998, as amended (“the Act”).

On 13 October 2014, the Competition Commission (“Commission”) announced that it had launched investigations into price fixing, market division and collusive tendering in the market for the manufacture and supply of automotive components supplied to OEMs. NGK is one of the firms that the Commission has been investigating for collusive conduct in the supply of automotive

components. Spark plugs is one of the components that have been subjected to collusive behaviour by automotive components manufacturers such as NGK.

[ENDS]

Issued by:

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