



competition commission
south africa

Media Statement

For Immediate Release

29 November 2023

**COMMISSION WELCOMES THE TRIBUNAL'S CONFIRMATION OF SETTLEMENT AGREEMENT
WITH THE ALLENS MESHCO GROUP**

The Competition Commission ("Commission") welcomes the Competition Tribunal's ("Tribunal") order confirming a settlement agreement concluded between the Commission and the Allens Meshco Group (AMG) in connection with collusive conduct in the wire industry. In terms of the settlement agreement, the AMG which consists of Allens Meshco (Pty) Ltd, Agri Wire (Pty) Ltd, Agri-Wire North (Pty) Ltd, Agri-Wire Upington (Pty) Ltd, Cape Wire (Pty) Ltd, Forest Wire (Pty) Ltd, Independent Galvanising (Pty) Ltd, Associated Wire Industries (Pty) Ltd t/a Meshrite, admits guilt to collusive practices. Additionally, AMG has agreed to pay an administrative penalty of R5 million for its involvement in cartel conduct within the wire industry.

The Tribunal's confirmation of the settlement agreement on Wednesday, 22 November 2023, concludes the Commission's legal proceedings concerning cartel conduct within the wire industry. Before this, the Commission had successfully reached settlement agreements with Cape Gate, Hendok, and Wireforce for their involvement in collusive practices within the wire industry.

In 2009, the Commission referred a complaint against AMG and its competitors, including Cape Gate, Hendok, Wireforce, and CWI, for engaging in collusive conduct in contravention of section 4(1)(b)(i) of the Competition Act 89 of 1998, as amended. The Commission's investigation revealed that between 2001 and 2008, AMG and its competitors had colluded to fix the selling prices of wire and wire-related products in South Africa. This collusion involved establishing a common national price list and specific discounts from that list.

[ENDS]

Issued by:

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