



**Press Release**

**For Immediate Release**

**12 December 2023**

**SAINT-GOBAIN CONSTRUCTION PRODUCTS SOUTH AFRICA (PTY) LTD TO BE  
PROSECUTED FOR PRICE DISCRIMINATION**

The Competition Commission (Commission) has referred to the Competition Tribunal (Tribunal) for prosecution Saint-Gobain Construction Products South Africa (Pty) Ltd (Saint-Gobain) for price discrimination.

It is alleged that Saint-Gobain contravened section 9(1)(b)(ii) of the Competition Act, 89 of 1998 (as amended), by engaging in price discrimination against PE African Brick Centre, a small and medium enterprise (SME) hardware store located in Gqeberha, Eastern Cape. Saint-Gobain is believed to have sold Cretestone to the complainant at prices which are 20% higher than those of other larger hardware stores located in the same region.

Saint-Gobain is a supplier of various construction products including a natural gypsum-based plaster called Cretestone which is used for plastering to give walls a smooth finish.

This is the first complaint referred by the Commission to the Tribunal for prosecution under the new price discrimination provisions of the Competition Act. These provisions aim to protect SMEs and companies owned by historically disadvantaged individuals (HDIs) against price discrimination by dominant suppliers.

The Commission alleges that Saint-Gobain is a dominant supplier of natural gypsum-based plaster in the Eastern Cape.

The Commission seeks a finding that Saint-Gobain's conduct of price discrimination contravenes the Competition Act, and that the company is liable for the payment of an administrative penalty equal to 10% of its annual turnover in South Africa.

**[ENDS]****Issued by:**

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