

**UPCOMING COMPETITION TRIBUNAL HEARING**

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| Parties | * Settlement agreement between the Competition Commission and B & E International (Pty) Ltd * Proposed large merger between Investec Property Fund Ltd and Erf 3371 Bethlehem Township owned by Bethlehem Property Development Pty Ltd * Proposed large merger between Grindrod Holdings SA (Pty) Ltd and Sturrock Grindrod Maritime Holdings (Pty) Ltd * Proposed large merger between Grindrod Shipping SA (Pty) Ltd and Unicorn Calulo Shipping Services (Pty) Ltd |
| Hearing date | 24 July 2014 |
| Hearing time | 10H00 |
| Venue | The dti Campus  77 Meintjies Street  Mulayo Building, (Block C)  Sunnyside, Pretoria  Tel: +27 (0) 12 394 3300  Fax: 27 (0) 12 394 0169  Website: <http://www.comptrib.co.za> |

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*(Following is a guideline for journalists. The information can be used but please do not*

*quote Nandi Mokoena)*

1. **Competition Commission settlement with B&E International**

Today the Competition Tribunal heard a settlement agreement between the Competition Commission and B&E International, a firm which provides mobile crushing and screening services to the civil engineering industry in Africa. It is also involved in surface mining and mineral processing.

In the settlement agreement B&E International admitted that it contravened the Competition Act by engaging in collusive tendering or bid rigging with its competitor Grinaker-LTA. B&E International also agreed to pay a penalty amounting to R8 158 447.00.

The settlement follows an investigation by the Competition Commission into the conduct of 25 firms that were implicated in its fast-track construction settlement process but that did not come forward at that time to confess their participation in widespread collusion in the construction sector. B&E International was one of the 25 firms. The Commission’s investigation revealed that B&E International, in February 2007, entered into a collusive agreement with Grinaker-LTA in respect of a tender for civil works on the Braamhoek Quarry Dam. The client for the project was Eskom and the project started on 14 May 2007 and ended in October 2013. In terms of the collusive agreement Grinaker-LTA received a cover price from B&E International in order that Grinaker-LTA would be eliminated from the tender process so that B&E International would be awarded the Eskom tender. The tender was ultimately awarded to B&E International.

The Tribunal heard this settlement earlier today and confirmed it as an order of the Tribunal.

1. **Tribunal to hear Investec property deal**

In this transaction Investec Property Fund intends to gain control of Bethlehem Property Development (BPD) by acquiring the remaining 50% shareholding in BPD which it doesn’t already own. BPD owns a regional shopping centre, Dihlabeng Mall, located in Bethlehem in the Free State. Investec Property Fund, on the other hand, is a JSE listed property investment company. It falls within the Investec Limited group of companies.

The Competition Commission, which assesses large merger transactions before referring them to the Competition Tribunal for decision, considered this transaction and concluded that it was unlikely to raise significant competition concerns. The Commission therefore recommended that the Tribunal approve the deal without conditions. The Tribunal heard this merger earlier today and approved it without conditions.

1. **Grindrod restructure to come before the Competition Tribunal**

In two deals that will see Grindrod Holdings South Africa (GHSA) restructure its internal operations, GHSA intends to acquire complete control over Sturrock Grindrod Maritime Holdings and over Unicorn Calulo Shipping Services. The target companies in these transactions are currently operating subsidiaries of GHSA. GHSA and its subsidiaries provide freight and logistics services.

The Competition Commission assessed both these transactions and concluded that they were unlikely to substantially lessen or prevent competition. The Commission therefore recommended that the Tribunal approve both transactions without conditions. The Tribunal, after hearing these matters earlier today, approved both transactions without conditions.

Issued By:

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