**FOR IMMEDIATE RELEASE**

**28 SEPTEMBER 2017**

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**OUTCOME OF CASES ON TRIBUNAL ROLL WEDNESDAY, 27 SEPTEMBER, 2017**

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| Type of matter | Parties involved | Competition Commission recommendation to Tribunal | Tribunal decision |
| Large merger | Coca-Cola Company and Coca-Cola Beverages Africa (Pty) Ltd | Approve with conditions | Approved with conditions |
| Settlement agreement | Competition Commission and Pride Milling | Confirm settlement | Confirmed settlement |
| Large merger | Steinhoff Doors and Building Materials (Pty) Ltd and Building Supply Group (Pty) Ltd | Approve with conditions | Approved with conditions |
| Large merger | Indluplace Properties Limited and Malewell Investments (Pty)Ltd and Buffshelf Group | Approve without conditions | Approved without conditions |
| Exception Application | Unilever South Africa (Pty) Ltd and Competition Commission |  | Tribunal still considering the application |

**Tribunal has approved with conditions a merger whereby** **Coca-Cola company buy from SABMiller shares held in Coca Cola Beverage Africa**

The Coca-Cola company (“TCCC”) is to buy shares owned by SABMiller in Coca Cola beverage Africa (“CCBA”) an entity established through a merger of independent bottlers. The Tribunal on Wednesday approved the merger. SABMiller was one of the authorized bottlers and a shareholder in CCBA.

American-listed company TCCC is the owner and supplier of coke concentrates. Its operations in South Africa is conducted by Coca-Cola Africa.

**Background**

The Tribunal in 2016 approved a merger which saw independent bottlers of Coca-Cola products combine their existing operations into a single company, CCBA. The independent bottlers thereafter held shares in CCBA. This transaction was approved conditionally. From the time of the condition it was envisioned that SABMiller would be exiting.

SABMiller controlled CCBA with the remaining shares being held by Coca-Cola Holdings Africa (“**CCHA**”) and Gutsche Family Investments .In terms of the shareholders agreement for that transaction CCHA had the option to purchase SABMiller shares and require its exit.

This transaction is a culmination of that right. This transaction will see TCCC buy SABMiller’s shareholding.

Approval was given subject to employment conditions, B-BEEE holding and the employee share ownership programme.

**Tribunal approves Pride Milling’s R10,6m settlement**

The Tribunal has confirmed a settlement agreement involving Pride Milling for price fixing in the market for milled white maize products in which it has agreed to pay R10 624 959.60 (5% of Pride Milling’s annual turnover for the financial year end Feb 2007).

The Commission initiated a complaint against Tiger, Pioneer, Foodcorp, Pride and Progress Milling in the maize milling industry for concluding agreements where they would fix prices of milled white products and the dates when they would be implemented which is in contravention of s 4(1)(b)(i).

The following respondents have concluded settlement agreements for this complaint referral:

         Blinkwater admitted to contravening s 4(19)(b)(i) and paid and administrative penalty of pay R10 112 504.20 (5% of Blinkwater’s annual turnover for the financial year end Feb 2007)

         CC and Keystone Milling (Pty) Ltd- where Keystone admitted to contravening s 4(1)(b)(i) and paid an administrative penalty of R6 730 349 (3% annual turnover for the 2009 financial year)

         CC and Carolina Rollermeule (Pty) Ltd-  Caroline admits to contravening s 4(1)(b)(i) and agreed to pay R4 417 546.(5% of its annual turnover for 2009)

         CC andBrenner Mills Proprietary Limited admitted to contravening s 4(1)(b)(i) fined R12 000 872  which is 5% of its annual turnover for the financial year end Feb 2007.

Tiger Brands Limited and Premier Food (Pty) Ltd are leniency applicants

**Steinhoff Doors and Building Materials merger with Building Supply Group is approved**

Tribunal approved the merger between Steinhoff Doors and Building Materials (Pty) Ltd (SDBM) which will the acquisition of Building Supply Group (Pty) Ltd (BSG). The Tribunal approved the merger with conditions.

SDBM is controlled by JD Group Limited which is in turn ultimately controlled by Steinhoff International Holdings Limited (SIH). SDBM, the JD Group, SIH and the firms it controls are the acquiring group, a diversified and differentiated furniture, appliance, electronic goods, home entertainment and office automation, building materials and Do-It-Yourself (“DIY”) as well as automotive products retailer. Relevant to the proposed transaction are its activities related to the wholesale of tiles and sanitary ware, wholesale of building supplies, hardware and related products and the retail of tiles and sanitary ware.

BSG is the holding company of the MacNeil group of companies and the Tiletoria group of companies. Tiletoria’s product offering includes ceramic and porcelain tiles, laminated flooring, vinyl flooring, engineered flooring, bathroom accessories, sanitary ware, showers and a tap range. BSG’s Floormark is a retailer of laminate, bamboo and vinyl flooring, carpets and carpet tiles. It also involved in importing, packaging, distributing and wholesaling sanitary ware and plumbing.

The Tribunal approved conditions involving employees and retention of jobs.

**Residential merger involving Indluplace Properties and a portfolio of companies approved**

Tribunal has approved the large merger without conditions, whereby Indluplace (Pty) Ltd (Indluplace Properties) intends to acquire three portfolios of residential properties owned by a number of trusts, collectively referred to as the Buffet Group.

Indluplace Properties is a property investment company which holds a residential property portfolio. It invests in residential properties with a focus on affordable housing generally in larger urban centres close to work opportunities and transport infrastructure in areas such as Johannesburg, Pretoria, Centurion and the East Rand.

The three portfolios to be purchased comprise of a number of residential properties in the Johannesburg inner city, Randburg, Kempton Park, Benoni, Roodepoort, and Vanderbijlpark nodes.

**The Tribunal is stilol considering a Unilever application to order Commission to supply further documents**

Unilever on Wednesday asked Tribunal for an order compelling the Competition Commission to file a supplementary affidavit to clarify a number of points contained in its original complaint alleging collusion and dividing markets for edible fats and oils. The Tribunal is still considering the application.

The Commission alleges that from 2005-2013, Unilever and Sime Darby Hudson Knight (Pty) Ltd (“Sime Darby”), as firms in a horizontal relationship, had a ‘general agreement’ not to compete with one another in the manufacture and supply of edible fats and oils. This was done through various agreements wherein the respondents agreed to divide markets by allocating goods and customers between themselves, contravening section 4(1)(b)(ii) of the Act.

One of the agreement was a Sale of Business agreement when Unilever sold its refinery business to the now Sime Darby. A non-compete clause was included in the agreement relating to the distribution channels of various products, and this was later amended when Unilever sold two companies to Sime Darby with a clause aiming to  white fats and adjusting pack sizes on the list of products.

Unilever in its exception application submitted that the Commission’s referral is vague and embarrassing on a number of grounds including whether the agreement the Commission alleges to be the subject of the anti-competitive conduct is the sale of business agreement or a separate agreement.

Unilever says it is unable to make out a case and is unable to plead the referral as it would be gravely prejudiced if it attempted to do so.

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