



**COMPETITION TRIBUNAL
REPUBLIC OF SOUTH AFRICA**

Case No: CO206Nov18

In the matter between:

The Competition Commission

Applicant

And

Landee Cleaning Services CC

Respondent

Panel : N Manoim (Presiding Member)
F Tregenna (Tribunal Member)
M Mokuena (Tribunal Member)

Heard on : 14 November 2018

Decided on : 14 November 2018

Consent Agreement

The Tribunal hereby confirms the consent agreement as agreed to and proposed by the Competition Commission and Landee Cleaning Services CC annexed hereto marked "A".



Presiding Member
Mr Norman Manoim

14 November 2018
Date

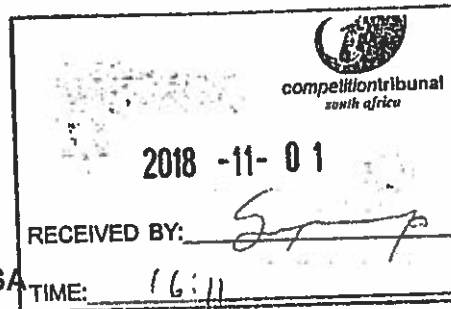
Concurring: Prof. Fiona Tregenna and Mrs Medi Mokuena.

IN THE COMPETITION TRIBUNAL OF SOUTH AFRICA

CT CASE NO: C0206N0018

CC CASE NO: 2017NOV0067

In the matter between:



COMPETITION COMMISSION OF SA

Applicant

And

LANDEE CLEANING SERVICES CC

Respondent

CONSENT AGREEMENT IN TERMS OF SECTION 49D READ WITH SECTION 58(1) (b) OF THE COMPETITION ACT, NO. 89 OF 1998, AS AMENDED, BETWEEN THE COMPETITION COMMISSION AND LANDEE CLEANING SERVICES CC, IN RESPECT OF A CONTRAVENTION OF SECTION 4(1)(b)(iii) OF THE COMPETITION ACT 89 OF 1998

PREAMBLE

The Competition Commission ("Commission") and Landee Cleaning Services CC, ("Landee Cleaning Services") hereby agree that an application be made to the Competition Tribunal for the confirmation of this Consent Agreement as an order of the Tribunal in terms of section 49D read with section 58(1)(b) of the Competition Act no. 89 of 1998, as amended, in respect of a contravention of section 4(1)(b)(iii) of the Act.

 LG.

1. DEFINITIONS

For the purposes of this consent agreement the following definitions shall apply:

- 1.1 "Act" means the Competition Act No. 89 of 1998, as amended;
- 1.2 "Commission" means the Competition Commission of South Africa, a statutory body established in terms of section 19 of the Act, with its principal place of business at 1st Floor, Mulayo Building (Block C), the DTI Campus, 77 Meintjies Street, Sunnyside, Pretoria, Gauteng;
- 1.3 "Commissioner" means the Commissioner of the Competition Commission (the Commissioner) in terms of section 24(1) of the Act;
- 1.4 "Consent Agreement" means this agreement duly signed and concluded between the Commission and Women on Board.
- 1.5 "Landee Cleaning Services" means a close corporation duly registered in accordance with the laws of the Republic of South Africa, with its principal place of business situated at 44 Gladioli Street, Soneike, Kuils River, Western Cape
- 1.6 "Parties" means the Commission and Women on Board.
- 1.7 "Respondents" means Women on Board CC ("Women on Board"); Landee Cleaning Services CC ("Landee Cleaning Services") and Bohay Construction and Cleaning CC ("Bohay Construction").
- 1.8 "Tribunal" means the Competition Tribunal of South Africa, a statutory body established in terms of section 26 of the Act, with its principal place of

Handwritten signature and initials, possibly "LG", in black ink.

business at the 1st Floor, Mulayo building (Block C), the DTI Campus, 77 Meintjies Street, Sunnyside, Pretoria, Gauteng;

2. INVESTIGATION AND FINDINGS OF THE COMMISSION

2.1. On 29 November 2017, the Commissioner initiated a complaint in terms of section 49B(1) of the Act, whereby it is alleged that the Respondents entered into an agreement and / or engaged in a concerted practice to tender collusively in response to a tender issues by the City of Cape Town in contravention of section 4(1)(b)(iii) of the Act.

2.2. The tender was for mowing of public open spaces, road reserves and cemeteries.

2.3. The Commission's investigation found that the Respondents colluded when submitting their bids for tender no: 206S/2014/15. The Respondents agreed on the prices each would submit to the City of Cape Town in response to the above mentioned tender.

2.4. The Respondents also agreed on formula to use when negotiating annual price adjustments for the duration of the contract with the City of Cape Town. The formula related how their labour costs and variable costs would be adjusted.

2.5. This conduct amounts to collusive tendering in contravention of section 4(1)(b)(iii) of the Act.

3. ADMISSION

- 3.1. Landee Cleaning Services admits that it has acted in contravention section 4(1)(b)(iii) of the Act as described in paragraph 2.1 above.

4. ADMINISTRATIVE PENALTY

- 4.1. Landee Cleaning Services agrees that it is liable to pay an administrative penalty of R19 019.48 (Nineteen thousand and nineteen rand and forty eight cents) which does not exceed 10% of Landee Cleaning Services annual turnover for the financial year ended February 2016.
- 4.2. Landee Cleaning Services will pay the amount of the administrative penalty set out in paragraph 4.1 above to the Commission over a period of two months in 2 equal instalments, with the first instalment being payable within 30 (thirty) days of the confirmation of the consent order as an order of the Tribunal. The second instalment will be payable within 90 (ninety) days of the confirmation of the consent order as an order of the Tribunal.
- 4.3. The payment shall be made into the Commission's bank account, details of which are as follows:
- Name: The Competition Commission Fee Account**
- Bank: Absa Bank, Pretoria**
- Account Number: 4087641778**
- Branch Code: 323 345**
- Ref: 2017Nov0067/Women on Board**
- 4.4. The administrative penalty will be paid over by the Commission to the National Revenue Fund in accordance with section 59(4) of the Act.

 LG.

5. AGREEMENT REGARDING FUTURE CONDUCT

- 5.1. Landee Cleaning Services undertakes to refrain from engaging in any anti-competitive conduct in contravention of the Act in future.
- 5.2. Landee Cleaning Services will develop, implement and monitor a competition law compliance programme as part of its corporate governance policy, which designed to ensure that all employees, members and management do not engage in future contraventions of the Act. In particular, such compliance programme will include mechanisms for the identification, prevention, detection and monitoring and detection of any contraventions of the Act.
- 5.3. Landee Cleaning Services shall circulate a statement summarising the contents of this Consent Agreement to all management and operational staff employed by Landee Cleaning Services within 60 (sixty) business days from the date of confirmation of this Consent Agreement by the Tribunal.
- 5.4. Landee Cleaning Services undertakes to submit a copy of such compliance programme to the Commission within 60 days of the date of confirmation of this Consent Agreement as an order to the Tribunal.
- 5.5. Undertakes henceforth to engage in competitive practices.

6. FULL AND FINAL SETTLEMENT

- 6.1. This Consent Agreement is entered into in full and final settlement of the Commission's Investigation under Case No. 2017Nov0067 and upon confirmation as an order of the Tribunal, concludes all proceedings between

the Commission and Landee Cleaning Services relating to the conduct that is the subject of the Commission's investigation under Case No. 2017Nov0067.

For LANDEE CLEANING SERVICES



Signed and Dated at Plumtree on the 23 day of October 2018.

Name in Full: Mr. Paul Johannes Booysen

Designation: _____

For the Competition Commission

Signed and Dated at PRETORIA on the 30th day of October 2018.



Name in Full: TEMBINKOSI BONAKELE

Designation: COMMISSIONER OF THE COMPETITION COMMISSION