

Collusion: Stuttaford Van Lines charged

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Stuttford Van Lines has been charged with 649 counts of collusive tendering in relation to tenders issued for the transport of furniture by the Presidency, Parliament, state-owned enterprises and other government departments.



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Competition Commission head of communications Sipho Ngwema said on Wednesday, 2 August 2017, this was the largest number of charges for any single company in the history of the body's anticartel enforcement.

The commission said it would ask the Competition Tribunal to fine the furniture removal company the maximum administrative penalty of 10% of its annual turnover on each of the charges.

This penalty is imposed only for the most serious breaches of the legislation.

Ngwema said the commission's investigation revealed Stuttford colluded with its competitors from at least 2007 through cover quotes.

In terms of the collusive arrangement, the first removal company to be contacted for a quotation would offer to source two or more quotations on behalf of the customer.

That removal company would subsequently request two or more of its competitors to provide quotes as cover quotes. The price would have been agreed on between the bidders and the winner would have been predetermined.

"All the companies found to have colluded with Stuttford have subsequently settled with the commission," said Ngwema.

The other companies included JH Retief Transport, Cape Express Removals, Patrick Removals and De Lange Transport.

Source: Business Day

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