

Beef supplier and juice maker agree not to compete - in contravention of competition law

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Two companies - a beef supplier and a juice maker - have been referred by the Competition Commission to the Commission Tribunal after it was found they signed agreements not to compete with each other, in contravention of the competition law.



Asimina via [pixabay](#)

Beefcor (Pty) Ltd and Cape Fruit Processors (Pty) Ltd (CFP) were charged with division of markets by allocating customers in contravention of Section 4(1)(b)(ii) of the Competition Act 98 of 1998.

The commission's investigation revealed that Beefcor and CFP entered into user and supplier agreements which included that they do not to compete with each other in the processing of wet peels and citrus peel pulp used to produce livestock feed (wet peels and citrus peel pulp are by-products in the production of fruit juice); and that CFP would not sell the wet peels and citrus peel pulp to any other entity without the express written permission of Beefcor

The agreement has been in existence from at least 2016. The commission has decided to refer the matter to the tribunal for prosecution and confirm an order that Beefcor and CFP be liable to pay an administrative penalty equivalent to 10% of their respective annual turnover.

Source: *BDpro*

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