

ArcelorMittal case referred to tribunal

STEELMAKER ArcelorMittal South Africa said yesterday it had noted the Competition Commission's decision to refer a collusion case against the company and Highveld Steel and Vanadium Corporation for adjudication.

"We will study the referral papers and comment thereafter," a spokesman for ArcelorMittal SA said.

News of the matter, which relates to price fixing and market allocation conduct in respect of flat steel products, saw ArcelorMittal's share price fall more than 6.5% to R52.53 on the JSE.

The commission's investigation followed a complaint in early 2008 alleging Mittal and Highveld adjusted their prices for steel products around the same time and with similar percentage increases.

Evidence before the commission indicated the producers had engaged in concerted practices. The investigation also found they divided the markets by specific goods types, maintaining market shares and allocating supply quotas for exports.

The commission has asked the tribunal to impose a penalty of a percentage of annual turnover on each of the steel producers. – I-Net Bridge