

MEDIA SUMMARY – JUDGMENT DELIVERED IN THE SUPREME COURT OF APPEAL

13 September 2010

STATUS: Immediate

WOODLANDS (PTY) LTD AND MILKWOOD DAIRY (PTY) LTD V THE COMPETITION COMMISSION

Please note that the media summary is intended for the benefit of the media and does not form part of the judgment of the Supreme Court of Appeal

The Supreme Court of Appeal upheld an appeal against an order of the Competition Appeal Court (CAC) and held that the complaints initiated by the commission against the appellants were set aside and the court further directed the commission to return all documents and copies in its possession belonging to the appellants

The appellants were allegedly involved in unfair competition by fixing prices of raw milk. A complaint was lodged against other firms and as consequence the commission initiated without any qualification a full investigation into the milk industry and complaints against them.

The SCA set aside the decision of the CAC because the commission relied on an invalid initiation and therefore the commission acted beyond its power.

The SCA held that the 2006 complaints were the direct consequence of an invalid complaints procedure and without the invalid complaint initiation and subsequent investigation these complaints against the appellants would not have seen the light of day.