

Allegation: Abuse of Dominance - Arawak Cement Company Limited

Case Opened: April 9th 2008

The Commission received information (copies of invoices) which suggested that the pricing policy of Arawak Cement Company Limited (“Arawak”) may have been in breach of the Fair Competition Act.

The information indicated that 210 bags of cement in 42.5kg bags purchased directly from Arawak cost more than 210 bags of cement in identical 42.5kg bags purchased from, an Authorised Distributor. It was alleged that Arawak was charging different prices to different groups of customers to prevent them from competing with each other. Acting on this information, the Commission began an investigation into the matter.

The Commission found that when non-distributors (manufacturers) purchased cement in the same volumes as that specified for distributors (2,100 bags), Arawak did not extend to non-distributors any discount. The Commission concluded that Arawak was acting in breach of Section 16 (d) of the Fair Competition Act, by directly imposing unfair selling prices on the manufacturers.

In light of the foregoing, the Commission advised Arawak, in the preliminary report that they should extend to non-distributors a similar discount to that extended to distributors when they purchased cement in volumes similar to that specified for distributors.

Arawak agreed to comply with the Commission’s directive.

Case Closed: April 2009.