



Training Programme in Competition Law & Policy

Quiz

The questions/scenarios presented are intended for group discussions only and serve to gauge participants' understanding of the concepts presented at the above-captioned workshop. Interpretation of the scenarios, and the possible outcomes will be provided during this session. All information communicated will be guided by the provisions contained within the Fair Competition Act. Participation is therefore encouraged.

Instructions to Participants: Please assess the following scenarios based on your understanding of the Fair Competition Act and your recollection of the information provided in the various sessions conducted.

1. It was found that Calbusy chocolates had 70% of the market for milk chocolate bars in Barbados. This is obviously the highest market share among the eight other competitors in the market.

Does this mean that they are dominant? Give reasons for your answer?

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2. Great Sleep Divan has sold beds to retailers all over Barbados for over 40 years. Roddy's furniture and Spanning Inc. have been their customers from inception and as a result Divan offers them 15% discount on all their purchases. The other furniture stores have complained about this.

Do they have a case? If so what type of case?

N.B: Divan is one of only two manufacturers of beds in Barbados and the only one who makes king size and wooden base beds.

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3. Sound Secretarial Services purchased/leased a printer from RRN Business Solutions. After some time, the printer's toner ran out of ink. When Sound Secretarial Services attempted to purchase toner from another printer store RRN informed them that they had signed a contract with them which indicated that they had to buy all toner cartridges from Tyle (whose toner cartridges cost twice as much). Sound Secretarial believes that this requirement is unfair. **Under the Act would RRN's conduct be considered anti-competitive?**

4. Cocoa, a major input into the chocolate making process is imported by two companies namely, Sweet-fuh-so and DaCocoa. Sweet-fuh-so is the major importer and supplies over 80% of the cocoa on the island. Two years ago, Sweet-fuh-so opened a subsidiary chocolate company, Cadville, thus entering into the chocolate manufacturing and distribution market in the country. In so doing, Sweet-fuh-so made a strategic decision that it will only supply cocoa to companies who use cocoa for purposes other than chocolate production. Sweet-fuh-so's cocoa is regarded as the best cocoa known in this part of the world and is ideal for making delicious and creamy chocolates. Sweet-fuh-so has an exclusive agreement with the grower of this cocoa in Colombia. DaCocoa's cocoa is not premium and the quality has been questioned. **What impact can this have on competition?**

5. The following table represents the market in a fictitious industry spanning a period of 10 years

Name	Market share (%)			Average selling Price (100g Choc bar)			Average cost of Production (100g Choc bar)		
	2000	2005	2010	2000	2005	2010	2000	2005	2010
Lic-a-licious	65	45	11	\$1.00	\$1.05	\$1.10	\$0.80	\$0.83	\$0.90
Cadville	16	38	86	\$0.85	\$0.85	\$1.25	\$0.90	\$0.89	\$0.87
Choca-holic	10	9	3	\$0.90	\$1.00	\$1.05	\$0.75	\$0.79	\$0.85
Other	9	8	0	\$1.10	\$1.10	N/A	\$1.00	\$1.00	N/A

Please identify any anti-competitive conduct you believe can be identified above

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6. Your company has sent out a tender for the repair of equipment damaged by a storm. Each respondent company submitted a cover letter with its bid expressing its interest in performing the work. You notice that three of the respondents submitted bids within 1% of each other. In addition you realize that each cover letter from the said respondents had the same typographical error (an unnecessary word): *"Please give us a call us if you have any question"*
How would you interpret this scenario?

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