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IN THE COMPETITION TRIBUNAL OF SOUTH AFRICA

(HELD IN PREFORIA)

competitiontribunal

2014 -12 - 14

RECEIVED BY:

IMISSION LYHIS

CC CASE NO.: 2009Dec4847

CT CASE NO.:

COMPETITION COMMISSION

Applicant

and

HENDRIK WILHELM CARL PISTORIUS N.O.

First Respondent

LEO CONSTANTIN PISTORIUS N.O.

Second Respondent

HERMINE PISTORIUS N.O.

Third Respondent

ARNOLDUS KURT PISTORIUS N.O.

Fourth Respondent

KALKOR (PTY) LTD

Fifth Respondent

CML TALJAARD & SON (PTY) LTD

Sixth Respondent

PBD BOEREDIENSTE (PTY) LTD

Seventh Respondent

GRASLAND ONDERNEMINGS (PTY) LTD

Eighth Respondent

FERTILIZER SOCIETY OF SOUTH AFRICA

Ninth Respondent

FILING NOTICE

BE PLEASED TO TAKE NOTICE that the applicant hereby files the following documents with the Competition Tribunal:

- 1. CT 1(1)
- 2. Notice of Motion;
- 3. Referral Affidavit and Annexures.

SIGNED at PRETORIA on this 04 day of December 2014.

COMPETITION COMMISSION

Applicant

77 Meintjies Street

Sunnyside

Pretoria

Tel: 012 394 3335

Ref: K Ayayee/ N Ntanjana/ 2009Dec4847

E-mail: Korkoia@compcom.co.za;

nomvelison@compcom.co.za

TO: THE REGISTRAR

Competition Tribunal

3rd Floor, Mulayo

The DTI Campus

77 Meintjies Street

Sunnyside

Pretoria

Tel: (012) 394-3300/55

E-mail address: Leratom@comptrib.co.za

AND TO: LOUW ATTORNEYS

First to Fourth Respondents' Attorneys

No.2 Lenchen Park

Zwartkop

Centurion

Tel: 012 663 4292

Email: info@louwlaw.co.za / Annerie@louwlaw.co.za

AND TO: DEMPSTER MCKINNON INC

Fifth Respondent's Attorneys

Block 3

21st Floor Verona Office Park

Cnr Malibongwe Drive & MacArthur Avenue

Robindale

Tel: 011 042 8133

Email: <u>lit@mckinnoninc.org</u>

AND TO: CML TALJAARD & SON (PTY) LTD

Sixth Respondent

Unit 1B Bedford Manor

Reagent Road

Bedford Centre

Bedfordview

Gauteng

Tel: 011 615 7564

E-mail: cmlkalklime@mweb.co.za

AND TO: PBD BOEREDIENSTE (PTY) LTD

Seventh Respondent

2 Michelin Street

Vanderbijlpark

Gauteng

Tel: 016 986-0691

Email: pjaneke@pbd.co.za / jadri@pbd.co.za

AND TO: CLIFFE DEKKER HOFMEYR INC

Eight Respondent's Attorneys

1 Protea Place

cnr Fredman and Protea Place

Sandton

Johannesburg

Tel: 011 562 1092

Ref: Andries Le Grange

Email: andries.legrange@dlacdh.com

AND TO: FERTILIZER SOCIETY OF SOUTH AFRICA

Ninth Respondent

Building 4e

CSIR Campus

Meiring Naudé Road

Pretoria

Email: general@fertasa.co.za/adam.mostert@fssa.org.za

020230

IN THE COMPETITION TRIBUNAL OF SOUTH AFRICA

(HELD IN PRETORIA)

CC CASE NO.: 2009Dec4847

TEASE NO .:

competitiontribunal

COMPETITION COMMISSION

and

Applicant

HENDRIK WILHELM CARL PISTORIUS N.O.

TIME:

First Respondent

LEO CONSTANTIN PISTORIUS N.O.

Second Respondent

HERMINE PISTORIUS N.O.

Third Respondent

ARNOLDUS KURT PISTORIUS N.O.

Fourth Respondent

KALKOR (PTY) LTD

Fifth Respondent

CML TALJAARD & SON (PTY) LTD

Sixth Respondent

PBD BOEREDIENSTE (PTY) LTD

Seventh Respondent

GRASLAND ONDERNEMINGS (PTY) LTD

Eighth Respondent

FERTILIZER SOCIETY OF SOUTH AFRICA

Ninth Respondent

NOTICE OF MOTION

BE PLEASED TO TAKE NOTICE that the applicant refers a complaint to the

Competition Tribunal for an order in the following terms:

1. Declaring that the First to Eighth Respondents have contravened section 4(1)(b)(i) of

the Competition Act No. 89 of 1998, as amended ("the Act") during the period 1995

to 2008.

2. Ordering the First to Seventh Respondents to pay an administrative penalty equal to

10% of their respective turnovers in terms of section 58(1)(a)(iii), read with section

59(2), of the Act; or such amount as the Competition Tribunal determines to be

appropriate.

3. Granting the applicant such further and/or alternative relief as the Competition

Tribunal considers appropriate.

TAKE NOTICE FURTHER that if any respondent intends opposing the relief sought in

the complaint referral it must, within 20 days after receipt of this complaint referral,

serve a copy of an affidavit in answer to the allegations contained in the complaint

referral on the applicant and file the answer with the Competition Tribunal together with

proof of service.

KINDLY TAKE NOTICE THAT that the affidavit of ANTHONY CELUCOLO

NDZABANDZABA, together with the annexures thereto, will be used in support of this

complaint referral.

SIGNED at PRETORIA on this $\nabla \Psi$ day of December 2014.

COMPETITION COMMISSION

Applicant

77 Meintjies Street

Sunnyside

Pretoria

Tel: 012 394 3335

Ref: K Ayayee/ N Ntanjana/ 2009Dec4847

E-mail: Korkoia@compcom.co.za;

nomvelison@compcom.co.za

TO: THE REGISTRAR

Competition Tribunal

3rd Floor, Mulayo

The DTI Campus

77 Meintjies Street

Sunnyside

Pretoria

Tel: (012) 394-3300/55

Fax: (012) 394-0169

E-mail address: <u>Leratom@comptrib.co.za</u>

AND TO: LOUW ATTORNEYS

First to Fourth Respondents' Attorneys

No.2 Lenchen Park

Zwartkop

Centurion

Tel: 012 663 4292

Email: info@louwlaw.co.za / Annerie@louwlaw.co.za

AND TO: DEMPSTER MCKINNON INC

Fifth Respondent's Attorneys

Block 3

21st Floor Verona Office Park

Cnr Malibongwe Drive & MacArthur Avenue

Robindale

Tel: 011 042 8133

Email: lit@mckinnoninc.org

AND TO: CML TALJAARD & SON (PTY) LTD

Sixth Respondent

Unit 1B Bedford Manor

Reagent Road

Bedford Centre

Bedfordview

Gauteng

Tel: 011 615 7564

E-mail: cmlkalklime@mweb.co.za

AND TO: PBD BOEREDIENSTE (PTY) LTD

Seventh Respondent

2 Michelin Street

Vanderbijlpark

Gauteng

Tel: 016 986-0691

Email: pjaneke@pbd.co.za / jadri@pbd.co.za

AND TO: CLIFFE DEKKER HOFMEYR INC

Eight Respondent's Attorneys

1 Protea Place

cnr Fredman and Protea Place

Sandton

Johannesburg

Tel: 011 562 1092

Ref: Andries Le Grange

Email: andries.legrange@dlacdh.com

AND TO: FERTILIZER SOCIETY OF SOUTH AFRICA

Ninth Respondent

Building 4e

CSIR Campus

Meiring Naudé Road

Pretoria

Email: general@fertasa.co.za / adam.mostert@fssa.org.za





competitiontribunal

Form CT1(1)

About this Form

This form is issued in terms of section 50 of the Competition Act and Rules.

This form is to be used only for a referral by the Competition Commission.

Unless this is a consent proceeding, the respondent may answer this referral within 20 business days after being served with this referral.

If the answer raises only a point of law, it must set out the question of law to be resolved. Any other answer must be in affidavit form, setting out in numbered paragraphs: (a) a concise statement of the grounds on which the Complaint is opposed; (b) the material facts or points on which the respondent relies: (c) an admission or denial of each ground and of each material fact relevant to each ground set out in the Complaint Referral.

An allegation of fact set out in the Complaint Referral that is not specifically denied or admitted in an answer will be deemed to have been admitted.

Please see Competition
Tribunal Rules 14 though 19.

Form continues on Page 2.

Contacting the Tribunal

The Competition Tribunal Private Bag X24 Sunnyside 0132 Republic of South Africa

tel: 27 12 394 3300 fax: 27 12 394 0169 e-mail: ctsa@comptrib.co.za

Referral of Complaint by Commission

Date:

04 December 2014

To: the Registrar of the Competition Tribunal, and:

(Name of respondent and [if applicable] other participants :)

Hendrik Wilhelm Carl Pistorius N.O. & 8 Others

Concerning:

(Complaint name and Commission file number:)

Competition Commission v Hendrik Wilhelm Carl Pistorius N.O & 8 Others. CC CASE NO.: 2009Dec4847

From: the Competition Commission

The Competition Commission alleges that the Respondent contravened the provisions of the Competition Act, section 4(1)(b)(i) by engaging in the following prohibited conduct:

+

(Concise statement of the alleged prohibited practice:)

The complaint concerns an alleged contravention of section 4(1)(b)(i) of the Competition Act No.89 of 1998, as amended ("the Act") in that in or about January 1995 until May 2008, Hendrik Wilhelm Carl Pistorius N.O., Leo Constantin Pistorius N.O., Hermine Pistorius N.O., Arnoldus Kurt Pistorius N.O., Kalkor (Pty) Ltd, CML Taljaard & Son (Pty) Ltd, PBD Boeredienste (Pty) Ltd, Grasland Ondernemings (Pty) Ltd, (collectively referred to as the "respondents") agreed, alternatively entered into a concerted practice to fix the commissions payable by each of them to fertilizer companies that employ agents to market, sell, and distribute aglime.

The Fertilizer Society of South Africa was used as a platform for the abovementioned conduct.

Details of the contravention are set out fully in the stream of Anthony Celucolo Ndzabandzaba, attached hereto.

2014 -12- 04

RECEIVED BY:

TIME:_



competitiontribunal

Form CT1(1) Page 2 About this Form

This form is issued in terms of section 50 of the Competition Act.

This form is to be used only for a referral by the Competition Commission.

Unless this is a consent proceeding, the respondent may answer this referral within 20 business days after being served with this referral.

If the answer raises only a point of law, it must set out the question of law to be resolved. Any other answer must be in affidavit form, setting out in numbered paragraphs: (a) a concise statement of the grounds on which the Complaint is opposed; (b) the material facts or points on which the respondent relies; (c) an admission or denial of each ground and of each material fact relevant to each ground set out in the Complaint Referral.

An allegation of fact set out in the Complaint.
Referral that is not specifically denied or admitted in an answer will be deemed to have been admitted.

Please see Competition Tribunal Rules 14 through 19.

Contacting the Tribunal

The Competition Tribunal Private Bag X24 Sunnyside 0132 Republic of South Africa

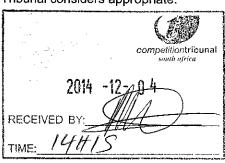
tel: 27 012 3943300 fax: 27 012 3940169 e-mail: ctsa@comptrib.co.za

Referral of Complaint by Commission

The Competition Commission seeks an order granting the following relief:

(Concise statement of the order or relief sought:)

- 1. Declaring that the First to Eighth Respondents have contravened section 4(1)(b)(i) of the Competition Act No. 89 of 1998, as amended ("the Act") during the period 1995 to 2008.
- 2. Ordering the First to Seventh Respondents to pay an administrative penalty equal to 10% of their respective turnovers in terms of section 58 (1)(a)(iii), read with section 59(2), of the Act; or such amount as the Competition Tribunal determines to be appropriate.
- 3. Granting the applicant such further and/or alternative relief as the Competition Tribunal considers appropriate.



Т	his referral is to proceed as a consent proceeding.
aı st	his referral is to proceed as a contested proceeding. Attached is a affidavit setting out the grounds of this complaint, and a catement of the material facts and the points of law relevant to it, is required by Competition Tribunal Rule 15(2).
the C	e and Title of person authorised to sign on behalf of competition Commission: osibakhe Majenge: Acting Manager Legal Services Division
Autho	orised Signature:

IN THE COMPETITION TRIBUNAL OF SOUTH AFRICA

(HELD IN PRETORIA)

CC CASE NO.: 2009Dec4847

CT CASE NO.:

COMPETITION COMMISSION

Applicant

and

HENDRIK WILHELM CARL PISTORIUS N.O.

First Respondent

LEO CONSTANTIN PISTORIUS N.O.

Second Respondent

HERMINE PISTORIUS N.O.

ARNOLDUS KURT PISTORIUS N.O.

KALKOR (PTY) LTD

CML TALJAARD & SON (PTY) LTD

Third Respondent competitiontriounal south Respondent Fourth Respondent Fifth Respondent Fifth Respondent

Sixth Respondent

PBD BOEREDIENSTE (PTY) LTD

Seventh Respondent

GRASLAND ONDERNEMINGS (PTY) LTD

Eighth Respondent

FERTILIZER SOCIETY OF SOUTH AFRICA

Ninth Respondent

COMPLAINT REFERRAL

A An

I, the undersigned,

ANTHONY CELUCOLO NDZABANDZABA

do hereby make oath and say that:

DEPONENT AND AUTHORITY

- I am an adult male employed by the Competition Commission of South Africa
 ("the Commission") as a Principal Investigator in its Cartels Division. I am
 duly authorised to depose to this affidavit on behalf of the Commission.
- 2. The facts deposed to in this affidavit relating to the complaint herein referred for adjudication are based on the Commission's investigation, and I verily believe such facts to be true and correct. The facts relating to the initiation and the conduct of the Commission's investigation fall within my personal knowledge, save where the context indicates otherwise, and are true and correct. Where I make submissions of a legal nature, I make them on the advice of the Commission's legal representatives, which advice I verily believe to be correct.
- I was assigned to investigate this complaint and I am duly appointed as an inspector in terms of section 24 of the Competition Act, 89 of 1998, as amended ("the Act").

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PURPOSE OF THIS AFFIDAVIT

4. This affidavit is made in terms of section 50(1) of the Act read with rules 14(1)(a) and 15 of the Rules for the Conduct of Proceedings in the Competition Tribunal ("the Tribunal's Rules").

THE PARTIES

- 5. The Applicant is the Competition Commission, a statutory body established in terms of section 19(1) of the Act as a juristic person with its principal office at Block C, Mulayo Building, 77 Meintjies Street, Sunnyside, Pretoria.
- 6. The First Respondent is Hendrik Wilhelm Carl Pistorius in his capacity as a trustee of the Hendrik Pistorius Trust.
- 7. The Hendrik Pistorius Trust is a trust duly registered in terms of the laws of the Republic of South Africa under trust deed number IT11463. It trades as H Pistorius & Co ("Pistorius"), at 1100 Church Street (East), Colbyn, Pretoria, Gauteng, South Africa.
- 8. The Second Respondent is Leo Constantin Pistorius in his capacity as a trustee of the Hendrik Pistorius Trust.
- The Third Respondent is Hermine Pistorius in her capacity as a trustee of the Hendrik Pistorius Trust.
- 10. The Fourth Respondent is Arnoldus Kurt Pistorius in his capacity as a trustee of the Hendrik Pistorius Trust.

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- 11. The Fifth Respondent is Kalkor (Pty) Ltd ("Kalkor"), a company duly registered and incorporated in accordance with the company laws of South Africa, with its principal place of business situated at Unit 1 Verona Office Park, MacArthur Avenue, Randburg, Gauteng.
- 12. The Sixth Respondent is CML Taljaard & Son (Pty) Ltd ("CML Taljaard"), a company duly registered and incorporated in accordance with the company laws of South Africa, with its principal place of business situated at Unit 1B Bedford Manor, Reagent Road, Bedford Centre, Bedfordview, Gauteng.
- 13. The Seventh Respondent is PBD Boeredienste (Pty) Ltd ("PBD Boeredienste"), a company duly registered and incorporated in accordance with the company laws of South Africa, with its principal place of business situated at 2 Michelin Street, Vanderbijlpark, Gauteng.
- The Eighth Respondent is Grasland Ondernemings (Pty) Ltd ("Grasland"), a company duly registered and incorporated in accordance with the company laws of South Africa, with its principal place of business situated at 27 Daniels Street, Lichtenburg. Elandsfontein, Gauteng Province. No administrative penalty is sought against Grasland by virtue of the fact that the Commission granted it conditional immunity in term of the Applicant's Corporate Leniency Policy published in Government Gazette 31064 of 23 May 2008.
- 15. The Ninth Respondent is the Fertilizer Society of South Africa ("the FSSA"), which is registered in terms of the company laws of South Africa as a non-

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profit company and situated at Building 19 A CSIR, Meiring Naude Road, Brummeria, Pretoria. The FSSA is a trade association of producers and suppliers of fertilizer and related fertilizer products, and the following respondents are members thereof: (a) Pistorius; (b) Kalkor; (c) PBD Boeredienste and (d) Grasland. The FSSA is cited by virtue of any interest that it may have in this matter; no relief is sought against it.

16. For purposes of this affidavit, respondents one to eight will be referred to as "respondents" and respondent nine as "FSSA".

THE BUSINESS OPERATIONS OF THE RESPONDENTS

- 17. In order to place the allegations in this complaint referral in their context, it is necessary to set out a brief background of the Agricultural Lime ("Aglime") industry.
- Aglime is a soil additive that is produced from pulverised limestone or chalk. There are two types of aglime, namely calcitic agricultural lime ("CAL") and dolomitic agricultural lime ("DAL"). The purpose of liming (i.e. the addition of aglime to soil) is to address soil acidity. Soil acidity is a problem in agriculture since it causes deficiencies in plant nutrients which can be toxic, and also leads to a reduction in crop yields. Liming increases the pH of the soil from acidic to neutral, thereby rendering more nutrients that are already in the soil to become available to plants, and also rendering poisonous substances to become unavailable to plants. This process is beneficial to the root development of plants.

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- 19. Lime is obtained from mining in areas that contain limestone deposits or recovered from slime dams. The aglime supply chain comprises two levels:
 - 19.1. The upstream level relates to the manufacturing of CAL and DAL.
 The manufacturers primarily supply aglime to distributors.
 - 19.2. The downstream level relates to the distribution of aglime by retailers.
- 20. The respondents are manufacturers of aglime in South Africa, and are also active in the downstream market for the distribution of aglime. Consequently the respondents are in a horizontal relationship as contemplated in Section 4(1).
- 21. In addition, the respondents make use of the services of representatives, agricultural specialists (including agronomists) and free agents to market self and distribute their aglime to farmers. The representatives are employed by suppliers of fertilizer ("Fertilizer Companies") such as Sasol Nitro, a division of Sasol Chemical Industries Limited, Yara S.A. (Pty) Ltd and Omnia Fertilizer (Pty) Ltd. The representatives and agronomists are employed to work as agents of the fertilizer companies. The free agents work independently and are not employed by fertilizer companies. The representatives and agronomists are paid a monthly salary by fertilizer companies and receive a commission paid to them by manufacturers. The commission payable by manufacturers in relation to the representatives and agronomist is disbursed through fertilizer companies. Free agents are not

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paid a monthly salary but are paid a commission directly by manufactures.

Manufactures decide on how the agents commission will be divided and paid to their respective representatives, agronomists and free agents,

22. For purposes of this referral, representatives, agricultural specialists agronomists and free agents shall be referred to as agents and the commission payable to them shall be referred to as agents' commission.

INITIATION AND INVESTIGATION

- On 21 December 2009, the Commissioner acting in terms of section 49B(1) of the Act, initiated a complaint ("the FSSA complaint") under case number 2009DEC4847 against the respondents for the contravention of section 4(1)(b)(i) of the Act.
- 24. The Commission duly investigated the complaint and found that in or about January 1995 until May 2008 the respondents agreed on the commissions payable by each of them to fertilizer companies that employ agents to market, sell, and distribute aglime. The respondents contravened section 4(1)(b)(i) of the Act by entering into agreements and / or concerted practice to fix the amounts of the agents' commissions.
- 25. The respondents used FSSA as a platform for the above conduct.

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THE BASIS OF THE COMPLAINT REFERRAL

- 26. This complaint referral is based on the Commission's findings in its investigation of the complaint that the respondents, being firms in a horizontal relationship, engaged in an agreement and / or concerted practice to fix the agents' commission in contravention of section 4(1) (b) (i) of the Act. The above conduct commenced in or about January 1995 and endured until May 2008.
- 27. The material facts and points of law contained in this referral are set out below.

PRICE FIXING

- During the period between January 1995 until May 2008, the respondents met annually and agreed to fix the rates of the agents' commission. The meetings of the respondents to agree on the rates of agents' commission were generally held prior to, during an adjournment of, or after the Annual General Meeting of the FSSA ("AGM"), and took place at the offices of the FSSA and other restaurants outside the premises of the FSSA.
- 29. The participants at these meetings included representatives of the respondents. In those instances where some representatives of these firms were absent from the meetings, the Chairman of the Lime Committee of the FSSA ("the Chairman") would contact the absent respondents telephonically or by fax to inform them of the agreed agents' commission and to obtain and

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record their respective consent.

- 30. The Chairmanship of FSSA is on a rotational basis among its members. At all material times to this complaint referral, the Chairman was Dr. Pieter Haumann, who was also the Managing Director of Grasland.
- 31. At the aforementioned meetings, the respondents determined the rates of the agents' commission. The respondents considered the rate and jointly decided upon an amount by which that rate of agents' commission was to be increased. Such rates of the agents' commission agreed upon by the respondents were subsequently recorded in writing by the Chairman in letters that were respectively addressed and sent to Sasol Nitro, Yara, and Omnia (i.e. the fertilizer companies that employ agents), informing them of such changes. Copies of such letters are attached hereto marked "ACN 1", "ACN 2" and "ACN 3" respectively.
- 32. The agreements reached by the respondents in respect of the agents' commissions were effective for a one year period, and were revised on an annual basis at the time of the AGM.
- 33. In response to the letters addressed to them by the respondents, the fertilizer companies would decide on how to distribute the commission earnings and communicate such decision in reply to the Chairman. An illustration of such a response is a letter from Omnia dated 10 May 2007, attached hereto as "ACN 4".



- The Chairman would thereafter consolidate the respective agents' commission distributions, as conveyed by each fertilizer company, into a single document, the contents of which were communicated to each of the respondents. This is illustrated by a letter dated 5 March 2002 from the Chairman to Kalkor attached hereto as "ACN 5".
- The existence of the agreement and/or concerted practice by the respondents is further confirmed by email that was addressed by the Chairman on 28 February 2008 to various employees of Sasol Nitro and to Willem Eigenhuis (who was the spokesperson for agronomists), a copy of which is attached hereto as annexure "ACN 6".
- 36. I respectfully submit that the above mentioned conduct of the respondents constitute an agreement and/or concerted practice to fix prices in contravention of section 4(1)(b)(i) of the Act.

CONCLUSIONS AND RELIEF SOUGHT

- 37. In the premises, the Commission seeks relief against the respondents by way of an order in the following terms:
 - 37.1 Declaring that the First to Eighth Respondents have contravened section 4(1)(b)(i) of the Act during the period 1995 to 2008;
 - Ordering the First to Seventh Respondents to pay an administrative penalty equal to 10% of their respective turnovers in terms of section 58(1)(a)(iii), read with section 59(2), of the Act; or such

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amount as the Tribunal determines to be appropriate.

Such further and/or alternative relief as the Tribunal may consider 37.3 appropriate.

DEPONENT

I certify that the deponent has acknowledged that he knows and understands the contents of this declaration. This declaration was sworn to before me and after the Deponent had answered to the prescribed questions and the Deponent's signature was placed there on in my presence at fanorinsham on this the 00 day of December 2014.

Sandingham 2014-12-02

DEINA

SOUTH APPEARS FOR CERVICE CLIENT SERVICE CENTRE 2014 -12- 02

GRASLAND ONDERNEMINGS (EIENDOMS) BEPERK

TEL_ (018) 632-8046 FACS (018) 632-3712

POSEUS ME LICHTEVELING

FAKS

AAN: SASOL NITRO FAKS NO: 011 - 522-2468

AANDAG: DR JOHANNES LOUW

KOMMESSIEBETALINGS VIR KALKVERKOPE

Die kalkmaatskappye verbonde aan die MVSA het onlangs oereengekom dat bogenoemde styg na R8,00 per ton as righyn wanaf 1 Mei 2008.

Graag verneem ons van u hoe die verdeling bissen verteenwoordigers, agente en landboukundiges moet wees.

Groete

PE HAUMANN (DR)
VOORSITTER: MYSA LANDBOUKALKKOMITEE

PEH/mvn 2008.05.12.

12 May. 2008 13:03

Grasiand 018 632 3//2

DIB 632 3772

No. 7476

GRASLAND ONDERNEMINGS (EYENDOMS) BEPERK

1768

TEL (010) 602-0742

POSELES LICHTE BEFO

FAKS

AAN: YARASA. (FTY) LTD FAKS NO: 011 - 513-0034

AANDAG, MAR WILLEM STRUMG

KOMMESSESETALINGS VIR KALKVERKOPE

Die kelkmaatskappye verbonde aan die MVSA het onlangs ooreengekom dat bogenoemde styg na RE,00 per ton as right vanaf i Mei 2005.

Grang verneem one van u hoe die vanieling tussen verteemwoordigers, ageme en landboukundiges moet

Groets

H EANDMANN (DR) VOORSITTER: MYBA LANDBOUKALKKOMITEE

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55 Yat 5008 14:43

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"ACN 3"

GRASLAND ONDERNEMINGS (EIENDOMS) BEPERK

1459

TEL_(018) 632-6046 FAICS (018) 632-5772

POSEUS 946 LICHTENBURG 2740

FAKS

AAN: OMNIA KUNSMIS FAKS NO: 011 - 463-3028-2

AANDAG: MEV CATHY KROGER

KOMMISSEBETALINGS VIR KALKVERKOPE

Die kalkmaatskappye verbonde aan die MVSA het onlangs coreengekom dat begenoemde styg na R8,00 per ton as rigiyn vanaf i Mei 2008.

Graag verneem ons vari u hoe die verdeling tussen verteenwoordigers, agente en landboukundiges moet wees.

Groete

PEHALMANN (DR)

VOORSITTER: MVSA LANDBOUKALKKOMITEE

PEH/mvn 2008.05.12

NO/FAKS NR: 018 682 3772
R REFIÚ VERW: PEH/mvn 2007.04.11
REFIONS VERW.
ES/BLADSYE: 1 (Hierdie ingesiuit)

Beste Dr Haumann

Jammer dat ek nou eers reageer op u versock van 11 April 2007. Verdeel asseblief die kommissieverdienstes vanaf 1 Mei 2007 soos volg:

Vorteenwoordigers:

R4.55

Landbookundiges:

R1.70

: sinarO

R1.00

One sal graag 'n jaarlikse samevatting van verkope deur one personeel van elke kalkmaatskappy wil he. Is dit moontlik dat u so 'n versoek by 'n volgende vergadering kan rig? - vir die jaar wat verby is, en dan ook vir die toekoms.

Dankie en groete

Bestuurder Bemarkingsadministrasie

Tel:

011 709 8862 011 463 3022

Faks:

ckruger@omnia.co.za

Omnia Ferlizer Limner Omnie Konsmit Becert

Omnia House - Omnia Huis 13 Siome Street . Sioanestraat 13

Epsom Downs Bryanston 2021 South Africe - Build Afrike

PO Box + Postrus 69888 Bryanston : 2021 .

South Airige . Suid Afrika

T +27 11 709 8606 F +27 11 +63 2020

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GRASLAND ONDERNEMINGS (EIENDOMS) BEPERK

2021

TEL. (018) 632-6046 FAKS (018) 632-9772

POSBUS 948 LICHTENBURS

FAKS

AAN: KALKOR (EDMS) BEPERK

AANDAG: MNR D SERFONTEIN

KALKKOMMISSIES VANAF 1 MEI 2002

Neem assobiler kennis van die volgende verdelings:

Omnia:	•	R
- A CRC PP-LA	Verteenwoordigers	3,40
	Landboukundiges	1.05
	Omnia	0.70
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	Landboukundige	1,00
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Verteenwoordigers en Agente wat nie gebruik maak van 'n landboukundige kry R4,15 en R4,50 respektiewelik.

Sasol:

Agente kry volle kommissie

Profer

4,15 1.00 5,15 Agenta Profert Totaat

Groete

P.É HAUMANN (DR) VOORSITTER: LANDBOUKALKKOMITEE

2002.03,05.

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From:

Pieter Haumann [grasland1@iniskom.co.za] Chairman FSSA Aglims Committee

Senf

2008.02.26

Tat

Mark Hawksworth [markhawksworth@sasol.com]
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Arnold Otto

Subject

Commission payment for Aglime sales

I have been requested by William Eigenhuls (spokesperson for agronomists) to explain to you how the abovementioned commission is dealt with.

The normal procedure is that the lime producers which are members of the FSSA agree annually on a commission that should be paid for agtime sales. The commission is presently R7,25 per ton and is due for revision at the end of April 2008. The commission is paid to compensate for soil sampling and advisory services rendered and is not meant to enhance time sales beyond what is scientifically proven to be necessary to combat excessive soil acidity. The time companies do not have their own marketing staff and traditionally rely on reps, agents and agronomists of fertilizer suppliers to do the sales since they have first hand knowledge of the farmer's needs.

The fertilizer companies generally advise the agitime producers to split the commission between the agent or rep and the agronomist coupled to the rep or agent. The general portion that the agronomist receives varies between 20 to 30% of the commission with the rest being paid to the rep or agent.

Sesol's approach since 1993 was that the agent should be paid the full commission. It remained the prerogative of the agent to pay a portion to the agronomist depending on the input given in the time recommendation. In practice the agronomist probably received no commission for time sales.

With the increasing trend towards precision farming the agronomist's input for differential liming recommendation has increased tremendously. The agronomists feel that it is unfair that they get no compensation for the increased input.

I did stress that the aglime companies cannot unliaterally change the commission allocation but that the management of Sasol Witro should do it if they deem it necessary.

I trust that the above gives a reflection of the situation regarding agilime commission payment.

Regards

Pieter Haumann (dr)