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## GENERAL NOTICES

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### NOTICE 528 OF 2004

#### NOTICE OF AN APPLICATION FOR AN EXEMPTION IN TERMS OF SECTION 10 OF THE COMPETITION ACT 1998: NATIONAL HOSPITAL NETWORK

An application for an exemption has been filed with the Competition Commission by the National Hospital Network (the Applicant), a co-operative venture owned and controlled by a group of independent private hospitals. The Applicant applies for an exemption for a category of agreements, as provided for in section 10(1)(b), from the provisions of section 4(1)(b)(i) of Chapter 2 of the Competition Act 1998 (the Act). The application relates to agreements in terms of which members of the Applicant agree to support and/or implement prices, terms and conditions of agreements negotiated and entered into on their behalf by the Applicant with medical schemes, medical schemes administrators and input suppliers.

Section 4(1)(b)(i) of the Act prohibits an agreement between, or concerted practice by firms or a decision by firms in a horizontal relationship if it involves directly or indirectly fixing a selling or purchase price or any other trading condition. A horizontal relationship refers to a relationship between competitors.

The Applicant submits that the category of agreements for which an exemption is sought is required to obtain the objective contained in section 10(3)(b)(ii) of the Act, since it contributes to the promotion of the ability of small businesses and firms controlled or owned by historically disadvantaged persons to become competitive.

The period for which an exemption has been applied for is 6 years, incorporating agreements signed between members of the Applicant for the year 2003, as well as agreements to be entered into for the years 2004 to 2008.

In accordance with the provisions of section 10(6) of the Act, notice is hereby given of the above application for exemption. Interested parties can make written submissions to the Commission as to why the exemption should not be granted. Such submissions must reach the Commission within 20 (twenty) working days from the date of this Notice and should be directed to:

The Manager  
Enforcement and Exemptions  
Competition Commission  
Private Bag X23,  
Lynnwood Ridge 0040  
Facsimile (012) 482 9118.  
Email: [ccsa@compcom.co.za](mailto:ccsa@compcom.co.za)

In correspondence kindly refer to case number 2003Nov717.