



# MATUS to pay R10.9m for inflating essential hygiene product prices

Local company Matus, which supplies and distributes personal protection equipment such as dust masks, overalls, hand sanitisers, fire protective gear and first-aid kits, has agreed to pay an administrative penalty of R5.9m after it admitted to inflation of its gross profit margins with regards to essential hygiene products.



Image source: [www.pexels.com](https://www.pexels.com)

The company, which has offices in Johannesburg, Cape Town and Durban and satellite branches in Port Elizabeth and Mbombela, will also contribute R5m to the Solidarity Fund for Covid-19. Further, it will, with immediate effect, reduce its gross profit margin on dust masks to acceptable levels for the duration of the state of national disaster.

## Excessively inflated gross profit margins

This follows an investigation conducted by the Competition Commission after it obtained information against MATUS in relation to the inflated prices of dust masks (FFP1 and FFP2 masks). Subsequently, the commission found that MATUS unreasonably increased the prices of dust masks resulting in excessively inflated gross profit margins in contravention of the Competition Act and Regulation 4 of the Consumer Protection Regulations.



Dis-Chem charged with inflating prices of face masks

24 Apr 2020



According to the commission, the company undertook, for the duration of the state of national disaster, to ensure that its gross profit margins for essential products will not be increased above what was applicable on 16 February 2020, for as long as such products remain as essential in terms of the Consumer Protection Regulations or any subsequent amendment or replacement of these regulations.