
Block B, 3rd Floor
Room 301-306
Unity House
Victoria
Mahe, Seychelles



FCA61
Tel: (+248 4 32 52 50)
Fax: (+248 4 32 52 40 /4
32 52 49)
PO Box 1207
Victoria
Mahe
Seychelles
Email: info@ftc.sc
Website: www.ftc.sc

ALLEGED ABUSE OF DOMINANCE

**FAIR TRADING COMMISSION V/S
MASON'S TRAVEL (PTY) LTD**

CASE NUMBER: FCA61

Date: September 2016

Complaint: On 31st August, 2015, the Fair Trading Commission initiated an investigation against Mason's Travel (Pty) Ltd after a preliminary investigation revealed that Mason's Travel (Pty) Ltd agreements with hotels could amount to tying and thus an abuse of dominance.

Mason's Travel (Pty) Ltd is one of the leading Destination Management Companies in Seychelles. It has branches on the Mahe, Praslin and La Digue. It has representatives stationed at the leading hotels and resorts across the country. Its core business is to guarantee a memorable holiday experience to its clients by providing a 'one-stop' shop for all tourism related services.

Based on the above, the Fair Trading Commission conducted an investigation in an effort to identify whether Mason's Travel (Pty) Ltd had breach the provision of Section 7 of the Fair Competition Act.

Commission's Assessment: With the aim to verify the alleged breach, the Commission conducted an investigation. The Commission found that Mason's Travel (Pty) Ltd had contracts with several service providers. According to these contracts Mason's Travel (Pty) Ltd clients should be exclusively handled by Mason's Travel (Pty) Ltd.'s representatives.

Through meetings with numerous service providers such as hotel operators who had contracts with Mason's Travel (Pty) Ltd, the Commission found that the restrictive clause did not apply as hotels do not offer outside services as per the conditions of their respective license. Moreover, the hotels regardless of their contract with Mason's Travel (Pty) Ltd advised their clients to seek assistance from their respective Destination Management Companies.

In addition, some hotels drafted their own agreements with Mason's Travel (Pty) Ltd. As such they set their own terms and conditions, thereby limiting the ability of Mason's Travel (Pty) Ltd of setting unfair terms.

Lastly, Mason's Travel (Pty) Ltd, proposed to amend the restrictive clause to make it compliant to the Fair Competition Act 2009.

Conclusion: In conclusion, the Commission concluded that the clause in Mason's Travel (Pty) Ltd contracts with hotels may be deemed to be restrictive. However, the Commission recommended that Mason's Travel (Pty) Ltd implements the newly proposed clause to ensure that its contracts with the service providers are clear and in compliance with the Fair Competition Act, 2009. Mason's Travel (Pty) Ltd was made aware of the above. The investigation was discontinued.