

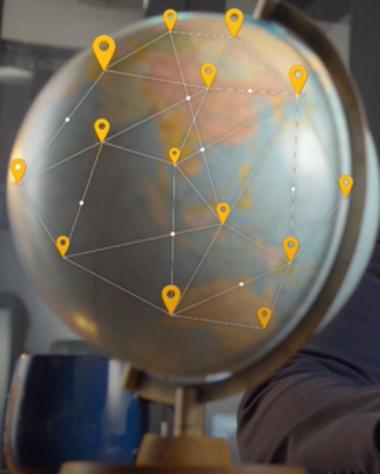
IN THE ACT

MAKING MARKETS WORK WELL

ISSUE 9 | FEBRUARY 2021 - MAY 2021

DEAL SEALED

CCCS Clears Merger of Silicon Wafer Manufacturers



"MAKING MARKETS WORK WELL"

CCCS's New Corporate Video

TALKING POINT

CCCS-SAL Conference Webinar Series: Transcending Boundaries - Competition Law in a Digital Era

BLUEPRINT:
WHAT IS BID RIGGING?



CE's NOTE

SIA AIK KOR
CHIEF EXECUTIVE
COMPETITION AND CONSUMER COMMISSION OF SINGAPORE

In March, CCCS partnered the Singapore Academy of Law (SAL) to host the fifth run of the triennial competition law conference over a series of five webinars. The theme of the conference “Transcending Boundaries - Competition Law in a Digital Era” highlighted key developments and emerging trends in competition law and policy as well as consumer protection law enforcement relating to the rise of digital economy. Distinguished local and international competition experts including academics, legal practitioners and regulators from ASEAN and other jurisdictions spoke at the conference. We are heartened that the sessions received strong support from the legal community, government agencies and overseas counterparts.

To further raise public awareness of the work that CCCS does, we released a new corporate video to showcase and explain how CCCS administers and enforces the Competition Act and the Consumer Protection (Fair Trading) Act. Adopting a light and conversational format, the video aims to raise public awareness of anti-competitive conduct and unfair trade practices with examples of past cases.

In April, CCCS conducted outreach to tertiary institutions on the economics of competition with a lecture to SMU Masters students. CCCS also spoke at the virtual ESS-MOE Annual Economics Seminar 2021

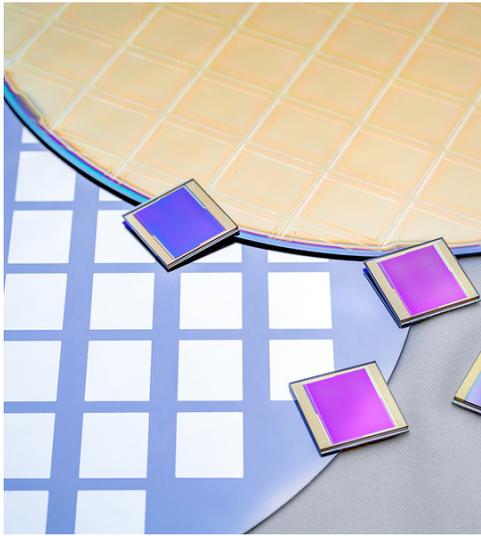
on post-pandemic competition to a record turnout of JC students and teachers from 18 schools.

On the casework front, CCCS completed the review of three merger notifications in the last quarter. Analog Devices, Inc.’s acquisition of Maxim Integrated Products, Inc. and the acquisition of Siltronic AG by GlobalWafers Co., Ltd were cleared unconditionally, while CCCS granted conditional approval for the acquisition of certain subsidiaries and assets of Refinitiv Holdings Limited by London Stock Exchange Group plc (LSEG) after accepting commitments from LSEG.

CCCS continues to work closely with our global counterparts. In March, CCCS participated in the 26th Meeting of the ASEAN Experts Group on Competition which saw the chairmanship being handed over from Vietnam to Indonesia, and co-organised a workshop on the ASEAN Competition Compliance Experience Survey-Study. CCCS also co-hosted a webinar as part of the International Competition Network Agency Effectiveness Working Group together with panelists from the UK and Portugal.

I hope you enjoy this issue of In The Act. Stay safe as part of the collective effort to fight COVID-19.

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ABOUT CCCS

The Competition and Consumer Commission of Singapore ("CCCS") is a statutory board of the Ministry of Trade and Industry. CCCS administers and enforces the Competition Act (Cap. 50B) which empowers CCCS to investigate and adjudicate anti-competitive activities, issue directions to stop and/or prevent anti-competitive activities and impose financial penalties. CCCS is also the administering agency of the Consumer Protection (Fair Trading) Act (Cap. 52A) or CPFTA which protects consumers against unfair trade practices in Singapore. Our mission is to make markets work well to create opportunities and choices for business and consumers in Singapore.

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DEAL SEALED

Silicon Wafer Suppliers Merger Cleared by CCCS

CCCS has cleared the proposed acquisition by GlobalWafers Co., Ltd. (“GWC”) of all or a substantial majority of at least 50% of the issued share capital and voting rights in Siltronic AG (“Siltronic”) via a voluntary public takeover bid under German law (and potentially additional share purchases) on 11 May 2021.

GWC, a Taiwanese company, manufactures and supplies a broad range of silicon wafers for the semiconductor industry globally. In Singapore, it has a sales office and supplies silicon wafers for the semiconductor industry.

German company Siltronic develops and manufactures silicon wafers. In Singapore, it is primarily a manufacturer and supplier of silicon wafers for the semiconductor industry.

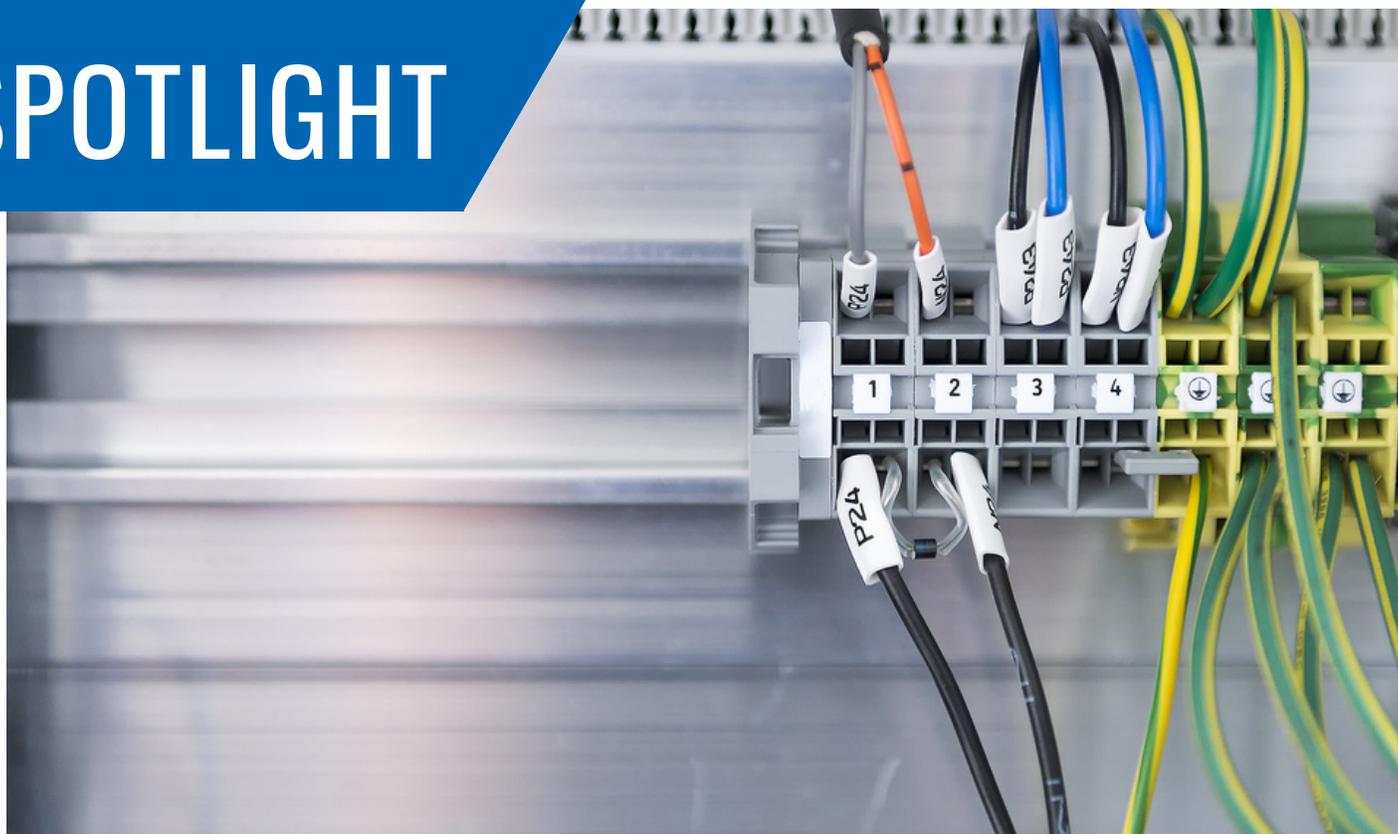
In its assessment, CCCS found that the combined market shares of Siltronic and GWC range from 20-40% and the post-merger combined market share of the three largest firms is over 70%.

However, CCCS also found that Siltronic and GWC are unlikely to be each other’s closest competitor, as their products are differentiated and they each have a different business focus. They will also continue to face competitive constraints from at least three other large global suppliers whom the Parties compete closely with. Customers can also switch their demand easily as the silicon wafers supplied are generally substitutable.

Scan to
read more
about the
case



<https://go.gov.sg/hkx0e>



CLEARED SIGNALS

CCCS Clears Merger of Integrated Circuit Manufacturers

CCCS has cleared the proposed acquisition by Analog Devices, Inc. (“ADI”) of Maxim Integrated Products, Inc. (“Maxim”) on 16 April 2021.

ADI designs, manufactures, and markets a broad line of integrated circuits (“ICs”) that incorporate analogue, mixed-signal and/or digital signal processing technologies. Maxim designs, develops, manufactures and markets a range of analogue, mixed-signal and digital ICs. Broadly, ADI and Maxim overlap in the supply of analogue ICs, microprocessors (“MCUs”) (a type of digital IC), and temperature and other sensors globally.

In its assessment, CCCS found that, among others, the Parties’ product portfolios are generally complementary in nature, and that they are not each other’s closest competitor in any of the relevant markets. CCCS also noted that there remain many strong competitors post-merger.

Customers are also able to switch easily between alternative suppliers when they are sourcing for ICs to be designed into their products, and generally do not enter into long term arrangements with suppliers that will limit their ability to switch.

CCCS also assessed that large customers may be able to exert countervailing buyer power by influencing prices and sales terms and also considered that collusion between semiconductor suppliers is unlikely post-merger due to the large number of competitors, relatively low price transparency and product differentiation in the relevant markets.

Scan to
read more
about the
case



SPOTLIGHT



CONDITIONAL CONSENT

CCCS's Conditional Approval of LSEG's acquisition of Refinitiv Holdings

CCCS has granted conditional approval of London Stock Exchange Group plc (“LSEG”)’s acquisition of certain subsidiaries and assets of Refinitiv Holdings Limited (“Refinitiv”) after accepting commitments from LSEG on 24 May 2021. The Transaction was notified to CCCS on 27 March 2020 and completed on 29 January 2021.

CCCS identified competition concerns based on information received from LSEG and Refinitiv, as well as third parties. Specifically, third parties have raised concerns about their continued access to Refinitiv’s WM/Reuters foreign exchange benchmarks (“WM/R FX benchmarks”). CCCS was concerned that the acquisition will reduce the incentive for the merged entity to continue to supply WM/R FX benchmarks on a non-discriminatory manner.

To address these concerns, LSEG put forward a set of Final Commitments, after revising its earlier Proposed Commitments following suggestions

raised by industry players and customers during the Public Consultation exercise.

The Final Commitments state, among others, that LSEG shall make WM/R FX benchmarks available to all existing and future customers and it will ensure the pricing and other commercial terms applied to the benchmarks shall not be changed in such a way as to constitute a de facto failure to make the benchmarks available to customers.

CCCS considered the Final Commitments sufficient to address the competition concerns arising from the Transaction, conditional upon the implementation of and compliance with the Final Commitments by LSEG. The Final Commitments are effective from 24 May 2021.

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<https://go.gov.sg/n961s>

SHOWCASE

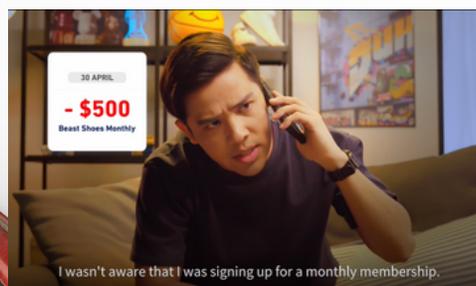
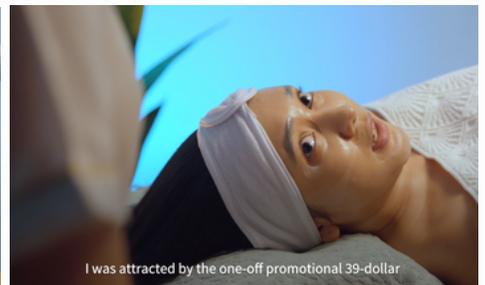
"MAKING MARKETS WORK WELL" - CCCS'S NEW CORPORATE VIDEO

CCCS's latest corporate video "Making Markets Work Well" showcases the roles and responsibilities of CCCS, as well as provides an overview of the Competition Act and the Consumer Protection (Fair Trading) Act.

The video highlights certain key CCCS's interventions over the years, including penalising Grab and Uber for their anti-competitive merger deal, exposing a decade-old capacitors cartel comprising five large global electronic firms and opening up competition for lift contractors to compete for lift servicing and maintenance contracts.

The video also highlights certain unfair trade practices which include beauty salons enticing consumers with discounts or offers that are not genuine and persuading them to buy something more expensive later, and an e-commerce retailer who had used a 'subscription trap' to mislead consumers into signing up for a recurring membership by giving the false or misleading impression that they are only making a one-off purchase.

Click [here](#) to view the video.



Scan to view the video



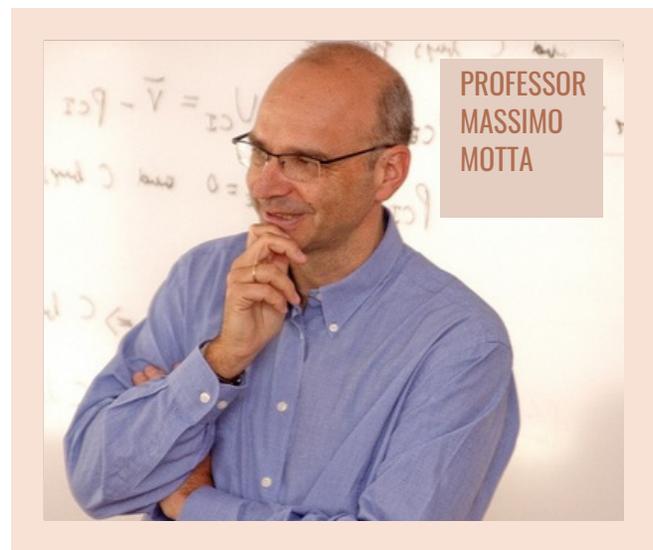
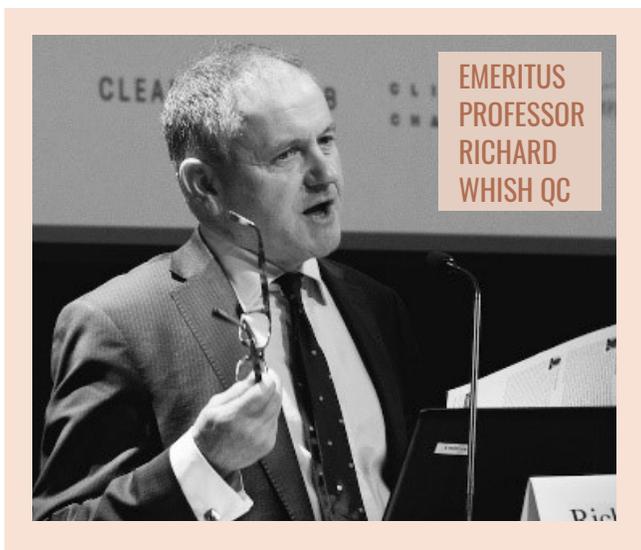
<https://go.gov.sg/cccsmakingmarketsworkwell>

CCCS-SAL CONFERENCE WEBINAR SERIES 2021



The fifth run of the triennial CCCS-SAL competition conference was held online over a series of five webinars in March 2021. The conference is CCCS's flagship event to highlight key developments and emerging trends in competition law.

AMONG THE DISTINGUISHED SPEAKERS AT THE WEBINAR



TALKING POINT

SESSION 1: COMPETITION LAW AND DIGITAL PLATFORMS

This webinar brought together expert speakers to discuss the business strategies of digital platforms driving the development of their product ecosystems and explore the role of digital platforms as “gatekeepers”. The speakers also examined the benefits and competition concerns arising from the ability of digital platforms to collect large amounts of data from their users’ activities, and the competition law implications of utilising algorithms.



SESSION 2: HARNESSING AND PROTECTING DATA – INTERSECTION WITH COMPETITION AND CONSUMER PROTECTION

This webinar explored the different ways in which digital-economy companies may harness data to compete and serve consumers better. The speakers also discussed how such uses of data may create certain tensions with antitrust and consumer data protection, and how the authorities may equip themselves with data tools to deal with data issues in the marketplace.

SESSION 3: MERGERS ASSESSMENT AND REMEDIES IN THE DIGITAL ECONOMY

This webinar examined issues arising from the assessment of mergers in the digitalisation era, e.g. calculation of market shares, killer acquisitions, acquisition of data and network effects and the use of remedies such as commitments to address concerns that could arise.

SESSION 4: MARKET DEFINITION IN A ‘BORDERLESS’ ECONOMY

This webinar examined the extent to which various factors may impact the definition of the geographical market, including the locations of suppliers, customers, product delivery, service performance, invoice, and procurement decision. The speakers also discussed geographic issues in international transportation, digital platforms, and international services.

SESSION 5: THE RISE OF THE DIGITAL ECONOMY: NAVIGATING COMPETITION AND CONSUMER PROTECTION LAW COMPLIANCE AND ENFORCEMENT CHALLENGES

This webinar provided an update on the latest competition and consumer protection law developments in Singapore and the world in light of the digital economy and the COVID-19 pandemic, and how businesses and practitioners can safely navigate through these challenges. The speakers also discussed the future of international cooperation to address competition and consumer protection issues.

[FIND OUT MORE ABOUT THE EVENT & DISTINGUISHED SPEAKERS HERE](#)

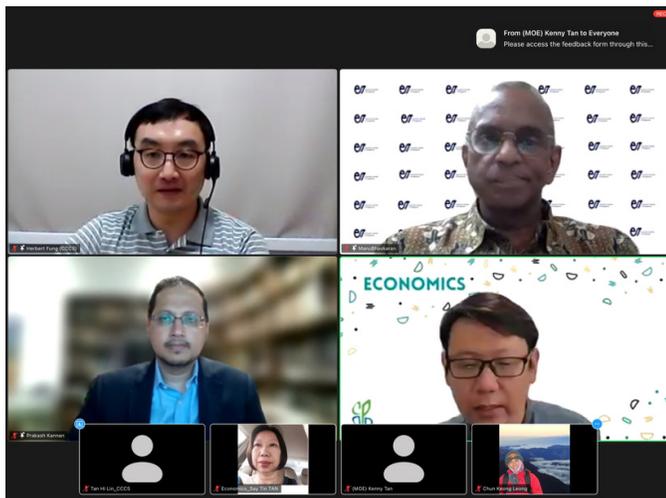
TALKING POINT

OUTREACH TO SMU ON MARKET STUDIES AND GOVERNMENT ADVISORIES



CCCS shared about its work on market studies and government advisories to about 30 students in an outreach session in April 2021. The session is part of a master's degree course offered by the Singapore Management University on the Economics of Competition. The presentation generated much interest with questions raised ranging from the actual impact of such work undertaken by CCCS, to the dynamics with relevant stakeholders when conducting market studies and providing competition advisories to government agencies.

ESS-MOE ANNUAL ECONOMICS SEMINAR 2021



At the Economic Society Singapore ("ESS")-MOE Annual Economics Seminar, Herbert Fung, CCCS's Senior Director (Business & Economics), spoke to a record turnout of 560 junior college Economics teachers and students from 18 schools on "Competition in Post-Pandemic Network Industries". Held virtually for the first time, the seminar featured three panel speakers who spoke on topics related to the theme "Post-Pandemic Domestic, Regional and Global Challenges".

26TH MEETING OF THE ASEAN EXPERTS GROUP ON COMPETITION (AEGC)



The 26th AEGC Meeting was held virtually from 22 – 26 March 2021. During the meeting, Vietnam handed over chairmanship of the AEGC to Indonesia, and the AEGC agreed on its key deliverables and projects for 2021. CCCS also shared the key findings and recommendations from its digital platforms market study with ASEAN Member States.

ICN AGENCY EFFECTIVENESS WORKING GROUP WEBINAR “MARKET STUDIES: ECONOMIST’S PERSPECTIVE”



Agency Effectiveness Working Group



On 16 March 2021, CCCS co-hosted the webinar as the co-chair of the Agency Effectiveness Working Group (AEWG)*. CCCS Senior Director (Policy & Markets Division), Dr Tan Hi Lin shared on Market Description, Economic Theories of Harm, Empirical Analysis, and the Remedy Design and Implementation from CCCS’s Online Travel Booking Market Study. Other panelists include Ana Sofia Rodrigues, Chief Economist of the Portuguese Competition Authority. The webinar was moderated by Prof. Amelia Fletcher from the University of East Anglia.

**The other AEWG co-chairs are the Competition Authority of Botswana and the Swedish Competition Authority.*

WORKSHOP ON THE ASEAN COMPETITION COMPLIANCE EXPERIENCE SURVEY-STUDY

CCCS and the EW Barker Centre for Law & Business organised a workshop on 27 Apr 2021 on the ASEAN Competition Compliance Experience Survey-Study (“ACCESS”) to gather feedback from ASEAN competition authorities on the ACCESS study conducted by Dr Burton Ong, NUS Law. The study analysed the views of stakeholders on the national competition law regimes of various ASEAN Member States and provided recommendations to facilitate greater convergence in the region.

WHAT IS BID RIGGING?

Two or more suppliers/purchasers collude on bid submission for tenders. They may take turns to win a tender by agreeing on terms in a bid submission, or not to participate in certain tenders after agreeing on who should win the tender.

Impact? Suppliers do not genuinely compete and customers do not get the best offers which a competitive process should provide.



BID RIGGING IS UNLAWFUL

Bid rigging distorts the competitive bidding process, thereby preventing businesses from getting the best value for their tenders. Bid rigging is prohibited under the Competition Act.

DOS & DON'TS FOR SUPPLIERS

- Prepare your bids independently. Do not participate in any anti-competitive discussion, coordination or plan.
- If you are approached to join in anti-competitive agreements, immediately reject it and distance yourself from any such discussions.
- If you are asked by a potential customer to procure additional bids, leave your competitors to independently decide their bids.



APPLY FOR LENIENCY IF YOU ARE INVOLVED IN BID RIGGING

CCCS's leniency programme affords lenient treatment to businesses that are part of a cartel agreement or concerted practice (or trade associations that participate in or facilitate cartels), when they come forward to CCCS with information on their cartel activities.



REPORT BID RIGGING ACTIVITY

CCCS wants to hear from persons with useful information on bid rigging or cartel activities in Singapore. Contact CCCS to provide information if you are aware of such activities. Find out more [here](#).



Download brochures on the Competition Act [here](#).

Learn more about the CCCS Guidelines on the Section 34 Prohibition [here](#).