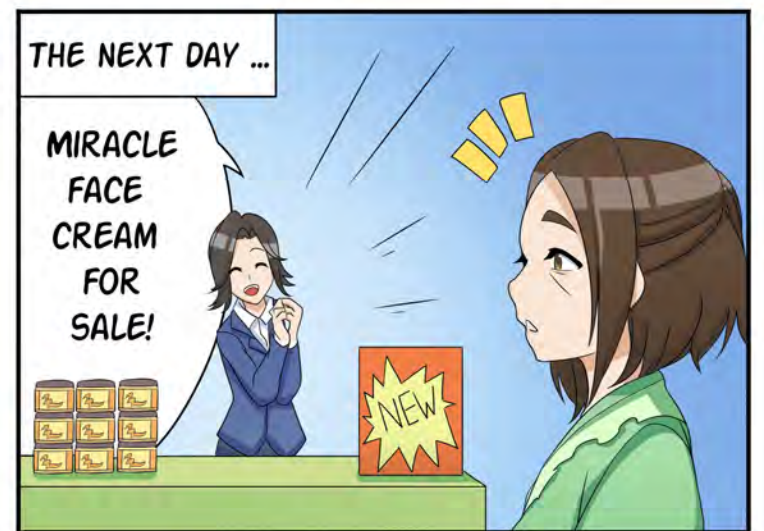
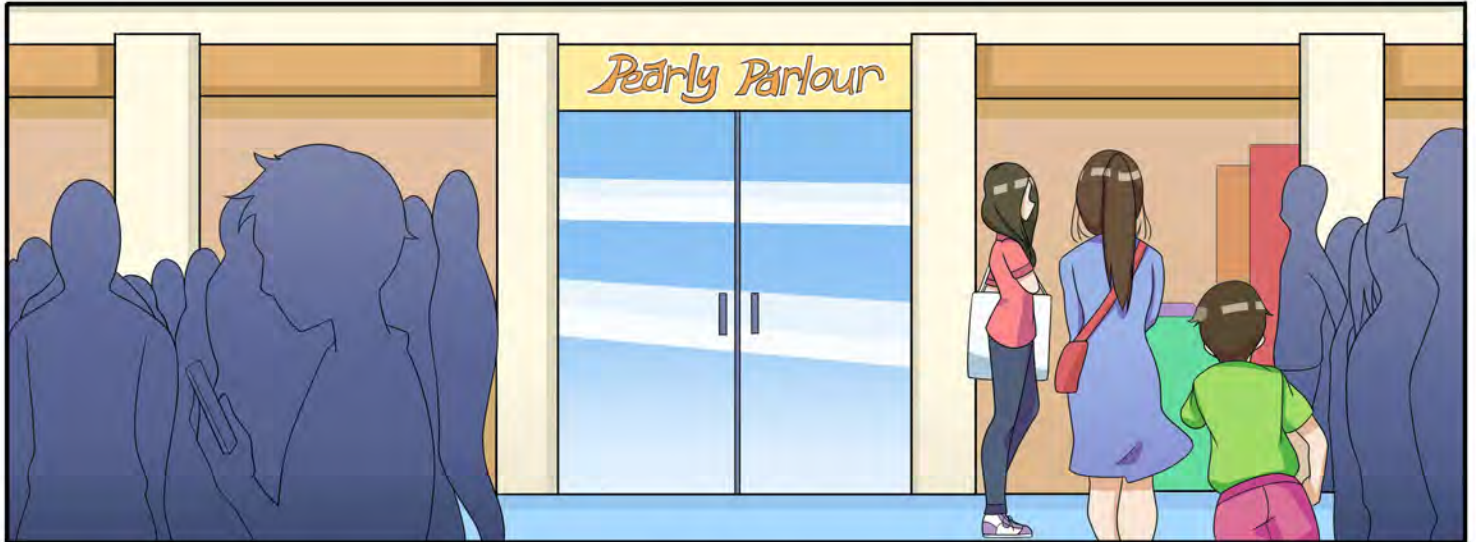


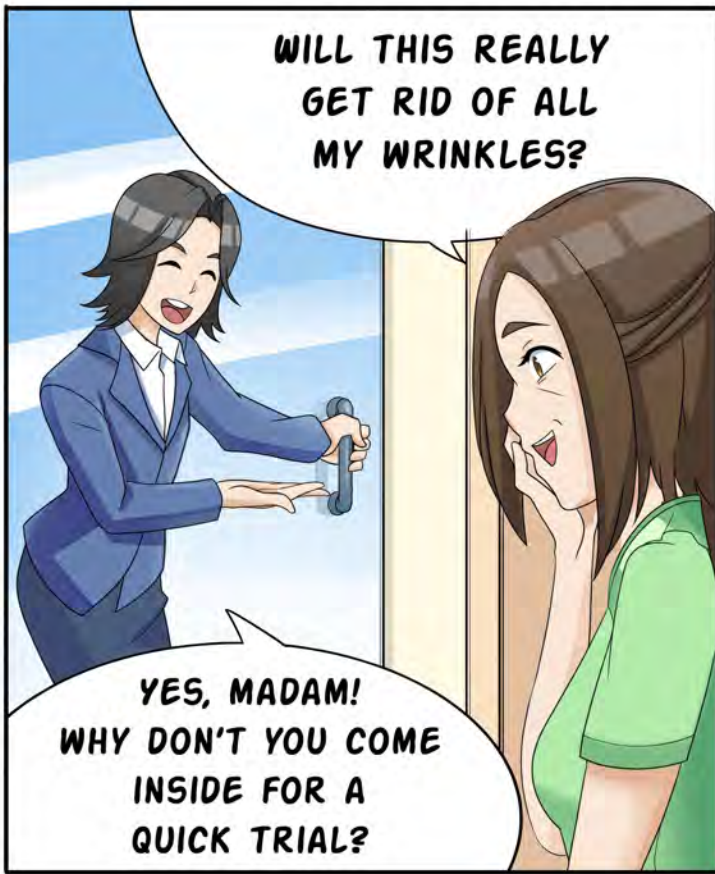
FUDGED!



COMPETITION
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Fairest of Them All





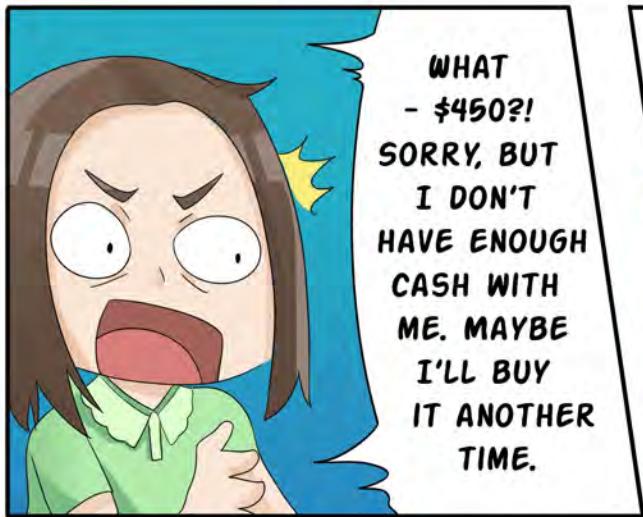
WILL THIS REALLY GET RID OF ALL MY WRINKLES?

YES, MADAM! WHY DON'T YOU COME INSIDE FOR A QUICK TRIAL?

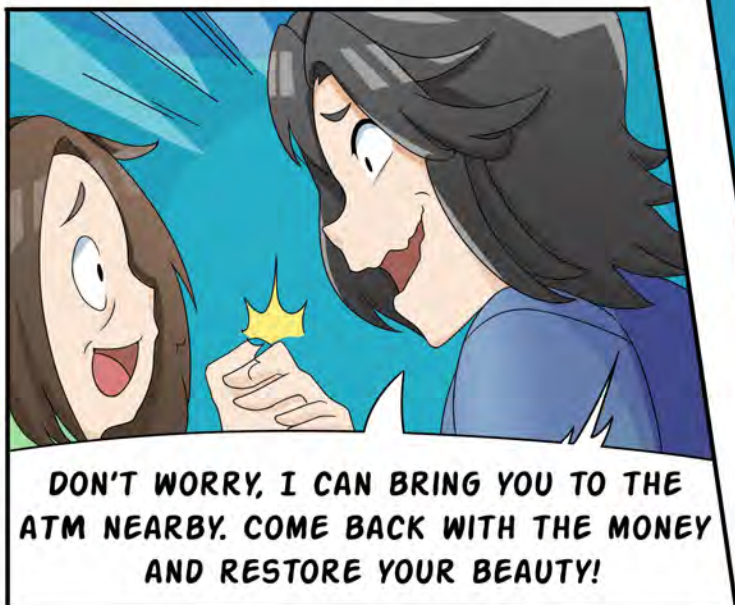


WOW! IT DOES FEEL REALLY GOOD AND REFRESHING ON MY SKIN!

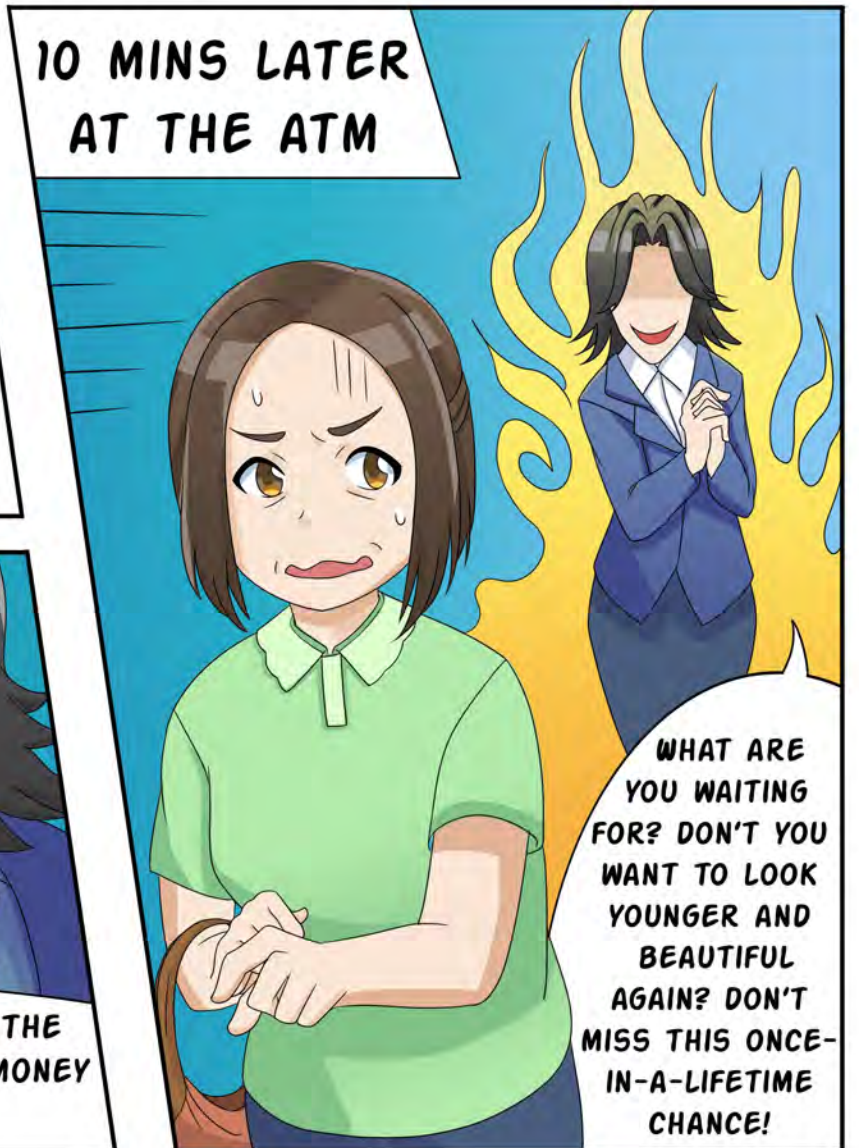
YES, AND IT COSTS ONLY \$450 PER BOTTLE. WELL WORTH YOUR MONEY.



WHAT - \$450?! SORRY, BUT I DON'T HAVE ENOUGH CASH WITH ME. MAYBE I'LL BUY IT ANOTHER TIME.



DON'T WORRY, I CAN BRING YOU TO THE ATM NEARBY. COME BACK WITH THE MONEY AND RESTORE YOUR BEAUTY!



10 MINS LATER AT THE ATM

WHAT ARE YOU WAITING FOR? DON'T YOU WANT TO LOOK YOUNGER AND BEAUTIFUL AGAIN? DON'T MISS THIS ONCE-IN-A-LIFETIME CHANCE!



OK ... IF IT'S AS GOOD AS YOU'VE CLAIMED. I'LL BUY IT.



BACK AT HOME ...

AH GIRL, LOOK WHAT I'VE JUST BOUGHT! A MAGIC FACE CREAM WITH SPECIAL DEAD SEA MINERALS GUARANTEED TO MAKE ME LOOK YOUNGER IN JUST THREE DAYS.

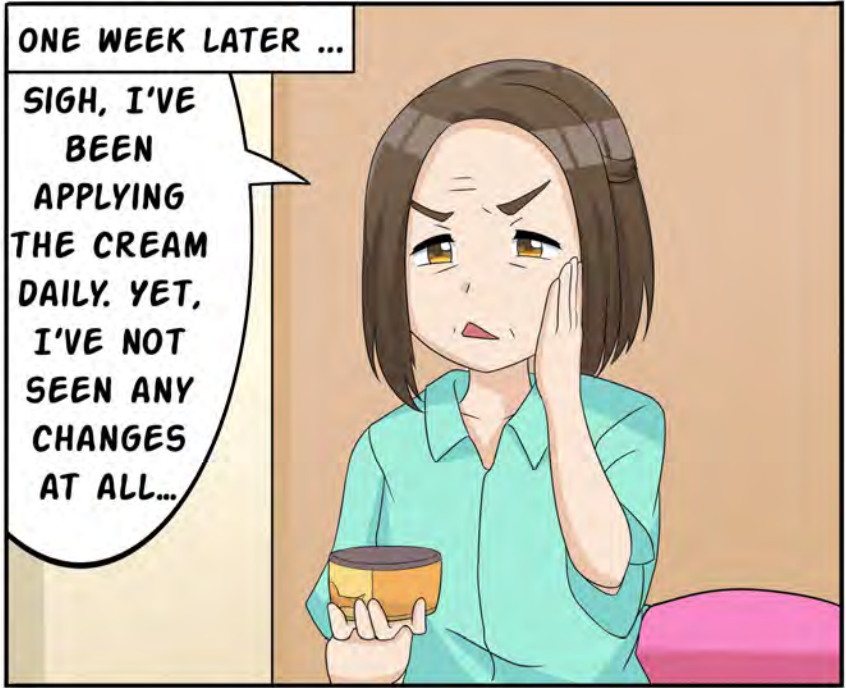
REALLY? BUT MUM...



ARE YOU SURE? I JUST DID A SEARCH ONLINE AND THESE ARE JUST COMMON INGREDIENTS IN COSMETICS.



HOW CAN IT BE?! I SHALL TRY IT FOR MYSELF FIRST.



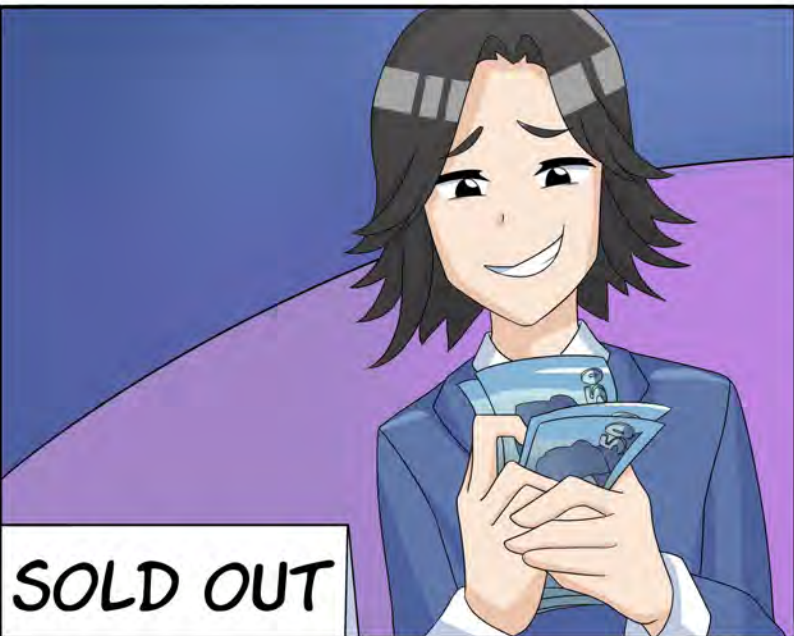
ONE WEEK LATER ...

SIGH, I'VE BEEN APPLYING THE CREAM DAILY. YET, I'VE NOT SEEN ANY CHANGES AT ALL...



OH MY GOODNESS ...

DON'T TELL ME...!

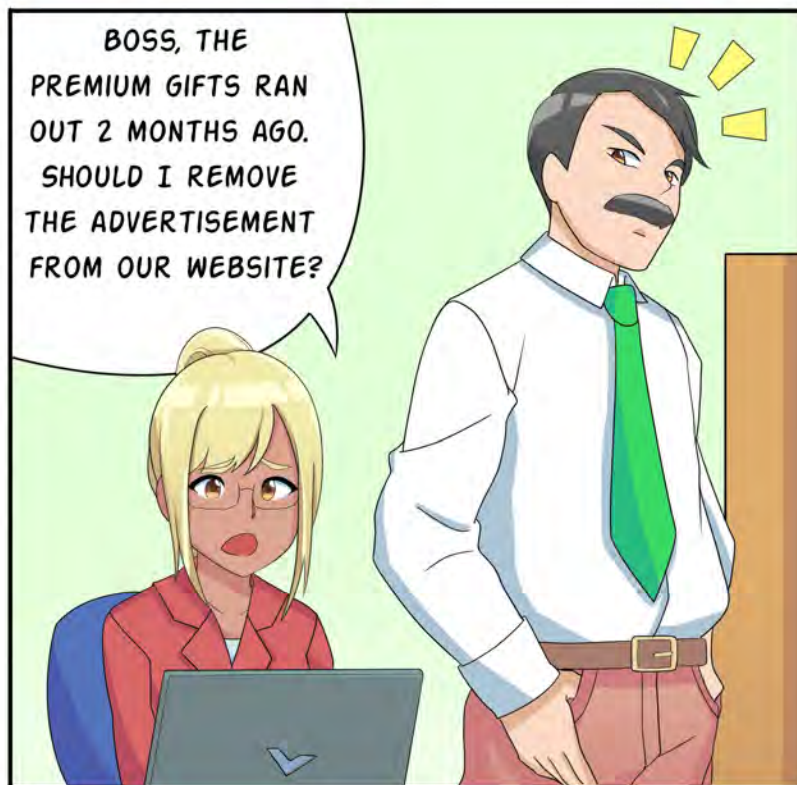
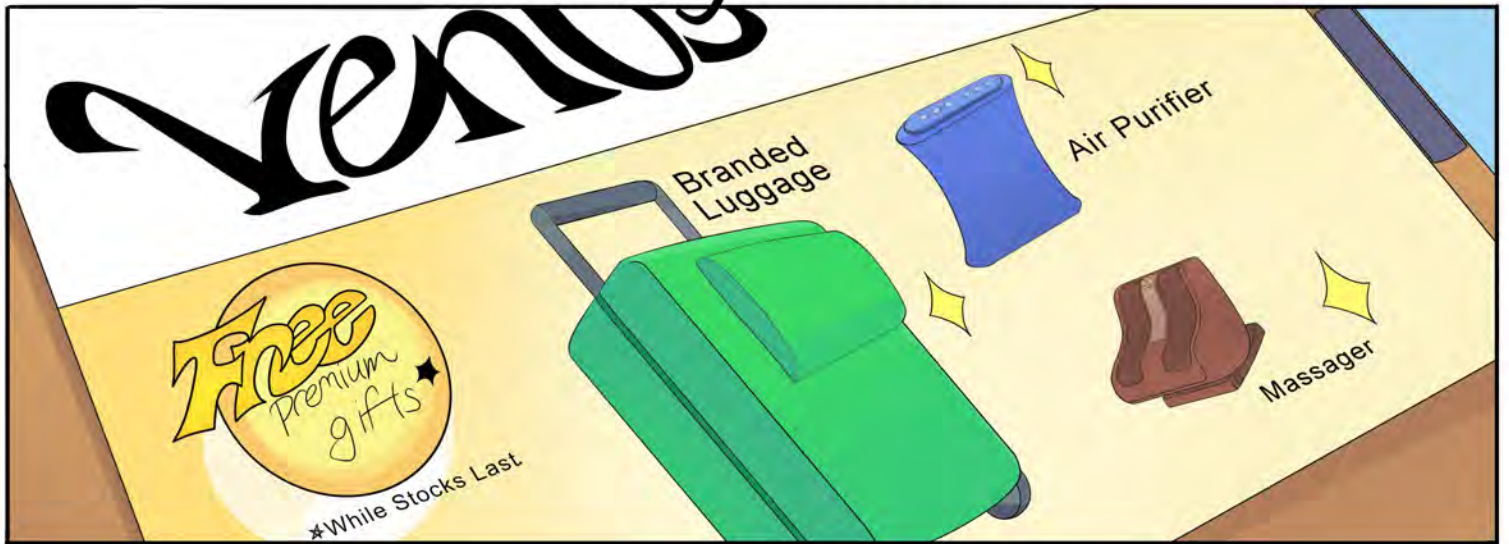


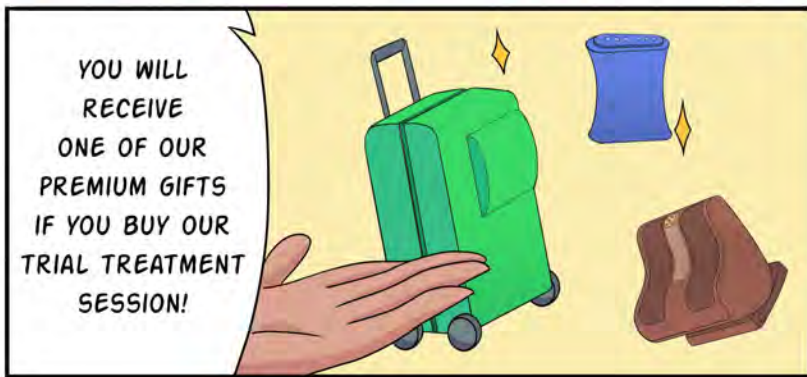
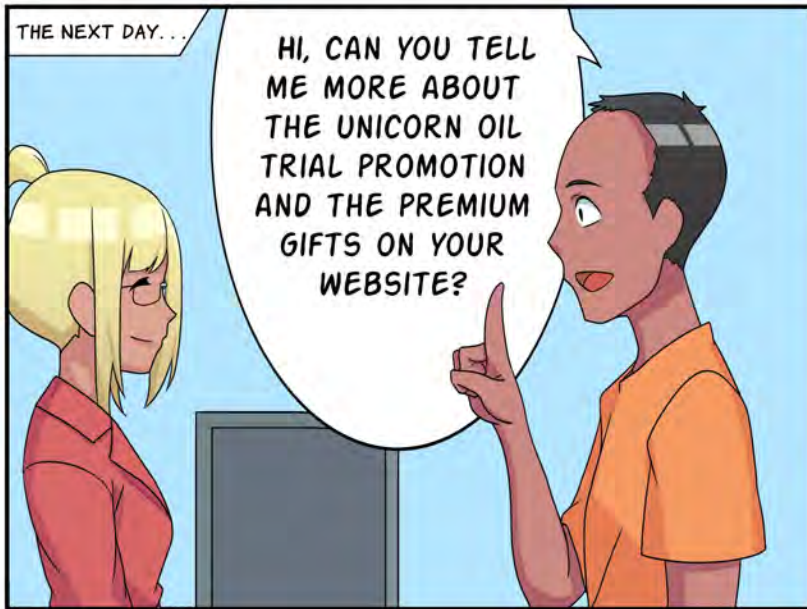
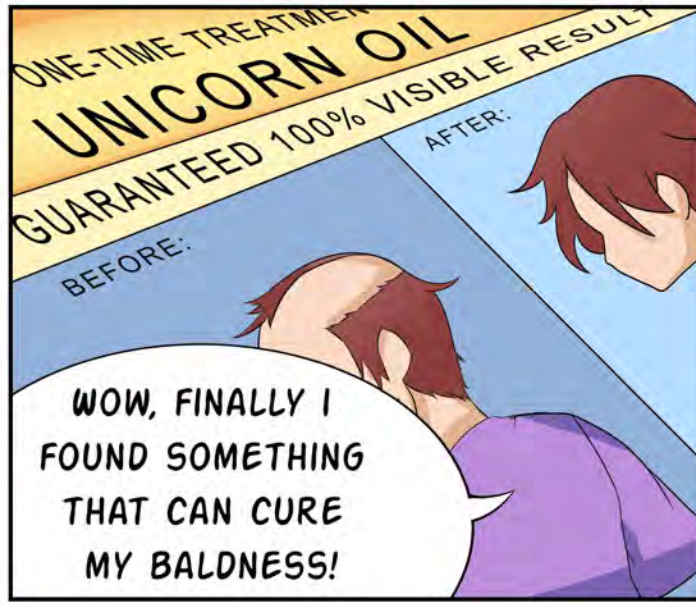
SOLD OUT

IT IS AN UNFAIR PRACTICE TO TAKE ADVANTAGE OF A CONSUMER BY EXCESSIVELY PRESSURISING THEM TO PURCHASE GOODS OR SERVICES! RETAILERS SHOULD ALSO NOT MAKE FALSE AND UNSUBSTANTIATED CLAIMS OR GUARANTEES ABOUT GOODS OR SERVICES.



A Hairy Problem







HMM, THE PRICE SEEMS QUITE HIGH FOR ME... DO I STILL GET THE PREMIUM GIFTS?

OF COURSE! YOU'LL ALSO GET ALL YOUR HAIR BACK! YOU'LL SAVE A LOT OF MONEY WITH THIS PACKAGE COMPARED TO A LA CARTE SESSIONS.



OK THEN. I'LL GET THE FULL PACKAGE!



AT THE NEXT VISIT

I'M SORRY, SIR. WE RAN OUT OF PREMIUM GIFTS. WE ONLY HAVE THIS UMBRELLA FOR YOU.

BUT... THIS IS NOT A PREMIUM GIFT! IT ISN'T AS VALUABLE AS THE LUGGAGE OR AIR PURIFIER YOU SHOWED ME BEFORE!



SIR, IT APPEARS THAT YOUR SCALP IS SO DAMAGED THAT IT'S IMPOSSIBLE TO SEE ANY NEW HAIR GROWTH.

BUT THE ADVERTISEMENT GUARANTEED RESULTS!



I'M AFRAID THAT YOURS IS A VERY SPECIAL CASE. WHY DON'T YOU BUY OUR PREMIUM HERBS THAT WILL CURE ALL YOUR SCALP PROBLEMS!

NO, I ALREADY PAID FOR THE UNICORN OIL TREATMENT. I WANT IT DONE NOW.



I WOULD STRONGLY ADVISE AGAINST THE UNICORN OIL TREATMENT AS YOU MAY BECOME PERMANENTLY BALD AFTER USING IT.



IT IS AN UNFAIR PRACTICE TO FALSELY OFFER GIFTS, PRIZES OR OTHER FREE ITEMS WITH THE SALE OF GOODS OR SERVICES! RETAILERS SHOULD NOT PUT UP THEIR GOODS OR SERVICES FOR SALE BUT REFUSE TO SUPPLY THEM WITH THE INTENTION OF PROMOTING SOMETHING ELSE TO CONSUMERS.

Curiosity Killed the Cat

IT'S THAT TIME OF THE YEAR AGAIN ...



... WHERE TOP BEAUTY BRANDS IN THE BUSINESS GATHER.



Dainty Beauty
Sales Representative

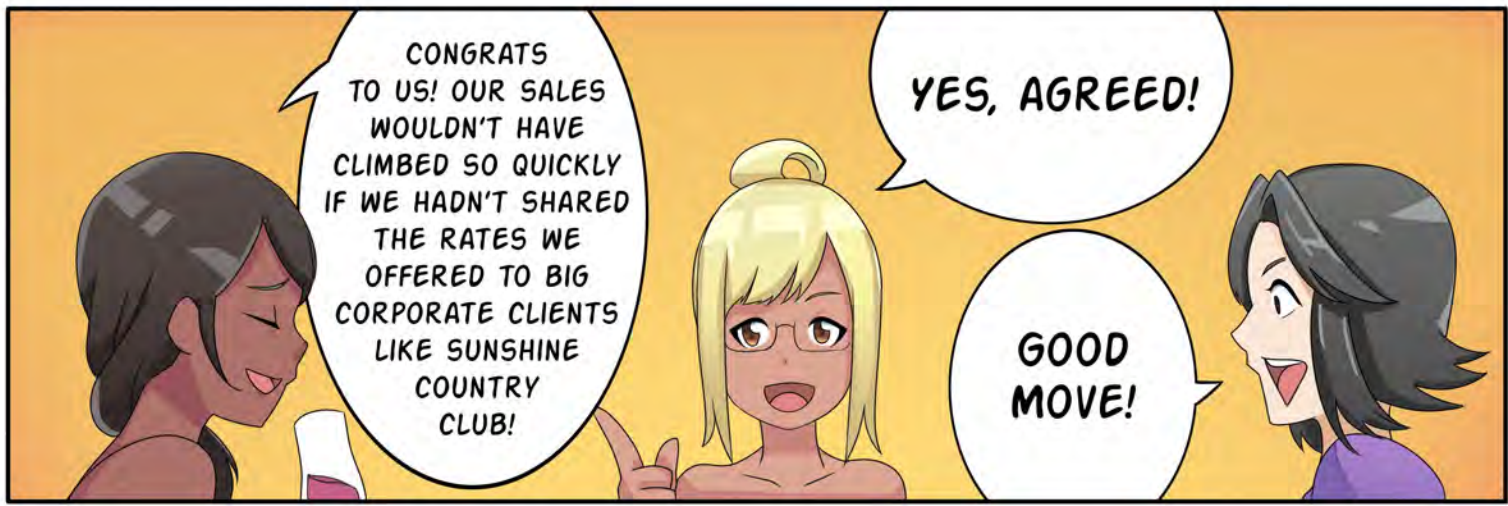


Venus Salon
Sales Representative



Pearly Parlour
Sales Representative





CONGRATS TO US! OUR SALES WOULDN'T HAVE CLIMBED SO QUICKLY IF WE HADN'T SHARED THE RATES WE OFFERED TO BIG CORPORATE CLIENTS LIKE SUNSHINE COUNTRY CLUB!

YES, AGREED!

GOOD MOVE!

OK, ENOUGH CHIT CHAT. LET'S GET DOWN TO BUSINESS.



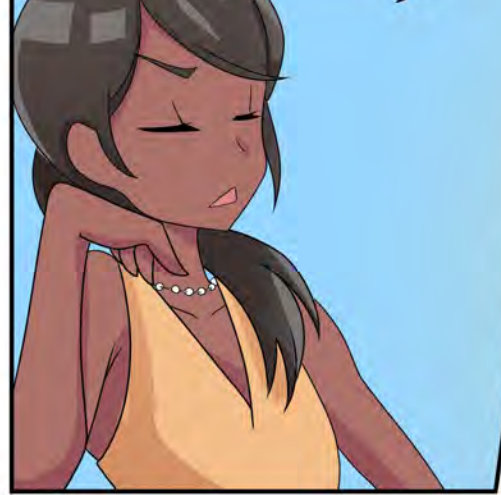
SO THIS TIME ROUND, HOW MUCH DISCOUNT IS SUNSHINE COUNTRY CLUB ASKING FOR?



THEY ARE REQUESTING TO LOWER THE RATE.

AS USUAL ...

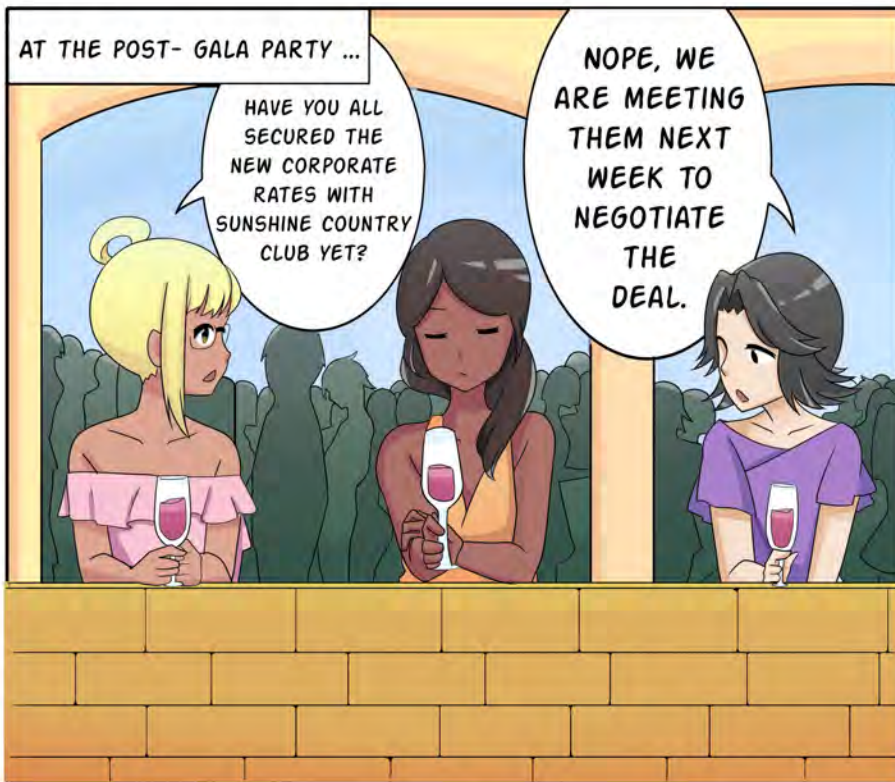
SAME HERE, SUNSHINE COUNTRY CLUB IS ASKING FOR 10% REDUCTION FOR NEXT YEAR'S RATE.



SAME!

YES!





AT THE POST- GALA PARTY ...

HAVE YOU ALL SECURED THE NEW CORPORATE RATES WITH SUNSHINE COUNTRY CLUB YET?

NOPE, WE ARE MEETING THEM NEXT WEEK TO NEGOTIATE THE DEAL.



WE MET THEM ALREADY. WE PLAN TO INCREASE THE RATE.

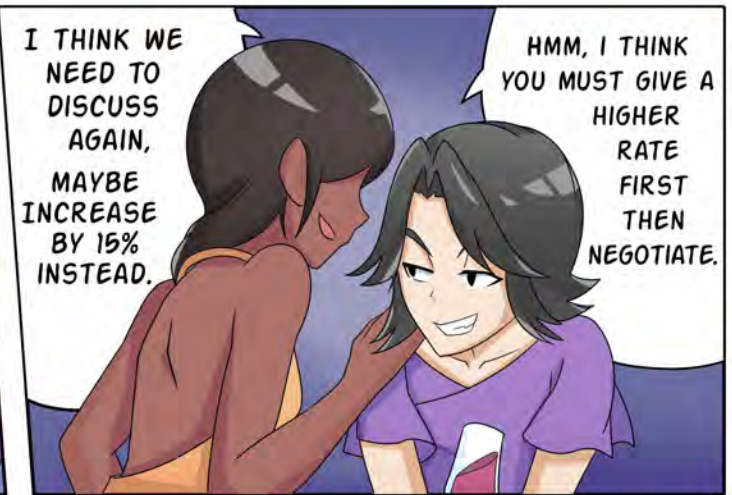


WE PLAN TO INCREASE TOO, PROBABLY BY 20%



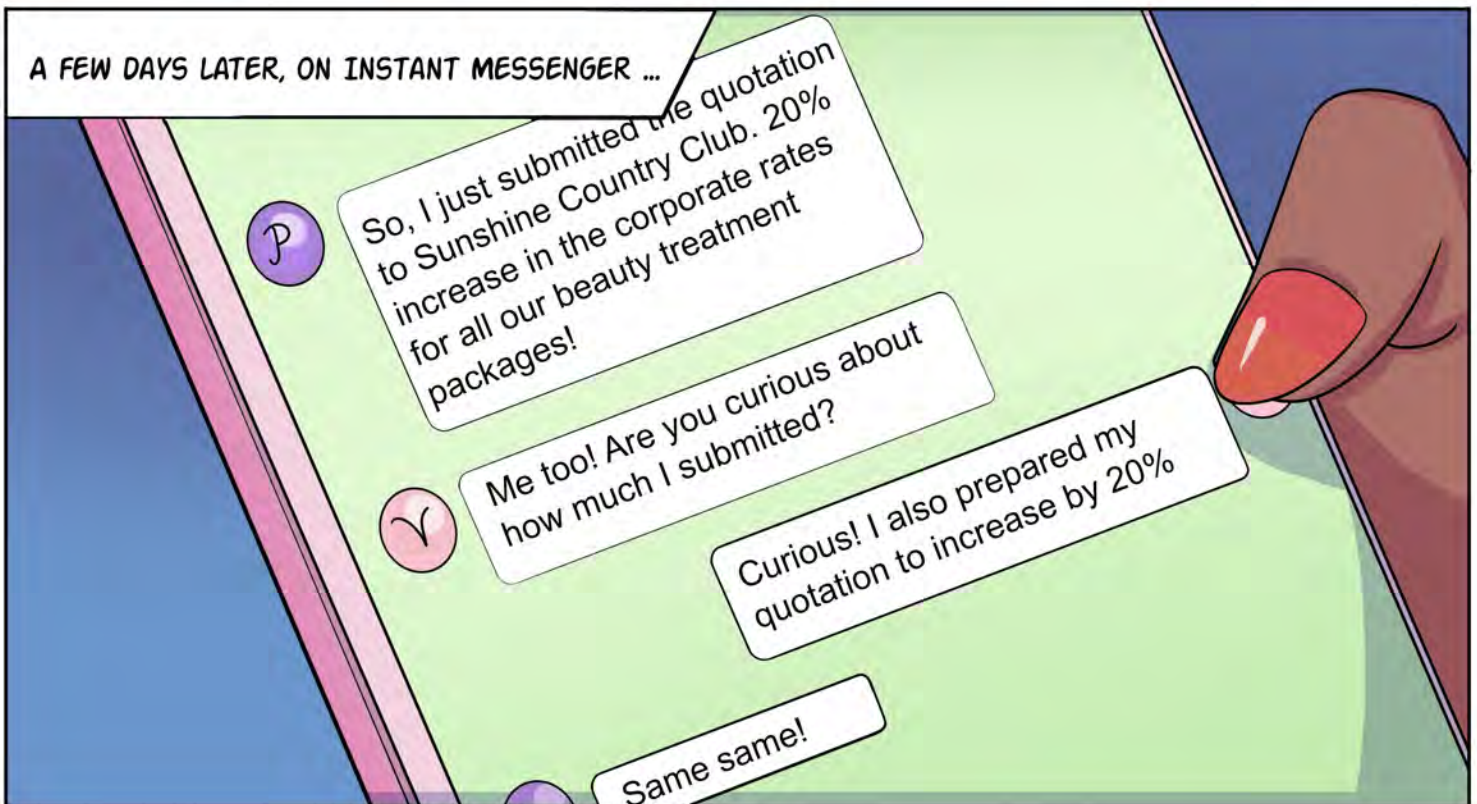
WHY IS YOURS SO HIGH?

THAT'S BECAUSE YOUR RATE IS ALREADY HIGH AND OURS IS LOW.



I THINK WE NEED TO DISCUSS AGAIN, MAYBE INCREASE BY 15% INSTEAD.

HMM, I THINK YOU MUST GIVE A HIGHER RATE FIRST THEN NEGOTIATE.



A FEW DAYS LATER, ON INSTANT MESSENGER ...

P

So, I just submitted the quotation to Sunshine Country Club. 20% increase in the corporate rates for all our beauty treatment packages!

Y

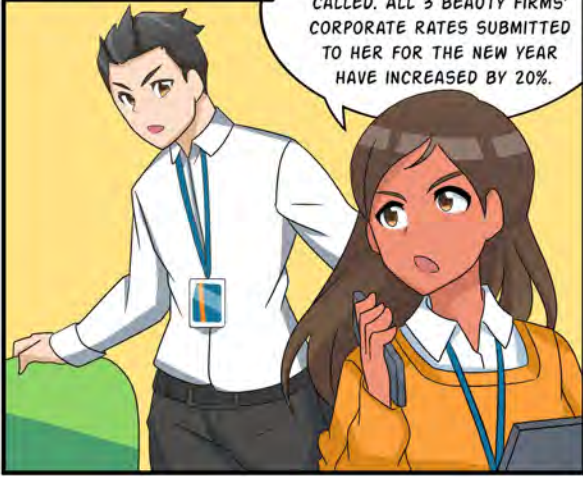
Me too! Are you curious about how much I submitted?

Curious! I also prepared my quotation to increase by 20%

Same same!

AT THE COMPETITION AND CONSUMER COMMISSION OF SINGAPORE . . .

LING, THE GENERAL MANAGER FROM SUNSHINE COUNTRY CLUB CALLED. ALL 3 BEAUTY FIRMS' CORPORATE RATES SUBMITTED TO HER FOR THE NEW YEAR HAVE INCREASED BY 20%.



ALL THREE? SOMETHING IS FISHY HERE. WE SHOULD LOOK INTO IT RIGHT AWAY.



ON IT!

DAINTY

HI, WE'RE FROM THE CCCS, WE ARE HERE TO CONDUCT AN INSPECTION ON DAINTY BEAUTY.



I DIDN'T KNOW THAT CCCS WOULD BE COMING TODAY...



AFTER THE INSPECTIONS, CCCS SENT NOTICES REQUESTING FOR ADDITIONAL DOCUMENTS AND INFORMATION.

WHERE ELIGIBLE FOR LENIENCY, BUSINESSES CAN BE GRANTED UP TO 100% REDUCTION IN FINES, SUBJECT TO CERTAIN CONDITIONS.

Ref no: CDS-1853-59
Date: 13 December 2019
Dainty Beauty
27 Riverdale St
Singapore 555666
Attention: to the Manager
NOTICE UNDER SECTION 63 OF THE
NOTICE REQUIRING THE PRODUCTION OF SPECIFIED DOCUMENTS
OF SPECIFIED INFORMATION UNDER SECTION 63 OF THE COMPETITION ACT
Dear Sir/Madam,

IT SAYS HERE THAT A BUSINESS MAY APPLY FOR LENIENCY IF THEY ARE PART OF A CARTEL...



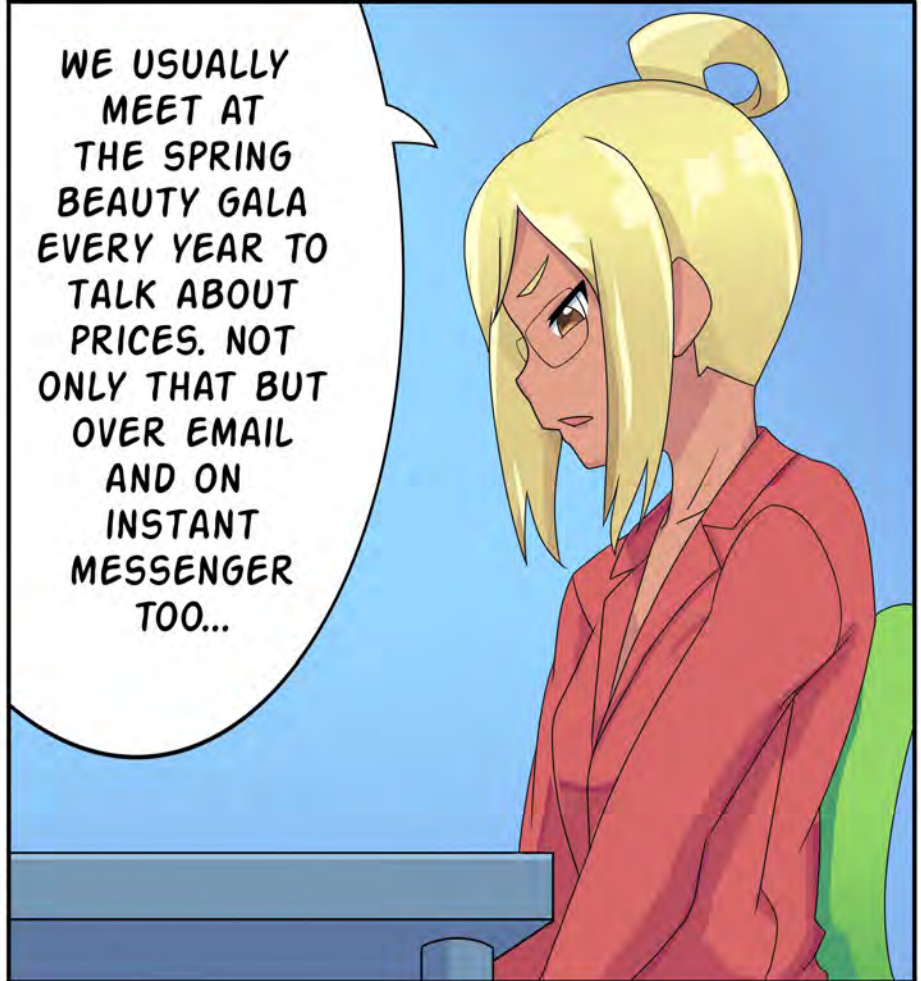
SO TELL US MORE ABOUT WHAT YOU KNOW ABOUT YOUR COMPANY SHARING COMMERCIALLY SENSITIVE INFORMATION WITH COMPETITORS.



ERM...



WE USUALLY MEET AT THE SPRING BEAUTY GALA EVERY YEAR TO TALK ABOUT PRICES. NOT ONLY THAT BUT OVER EMAIL AND ON INSTANT MESSENGER TOO...



WITH THE EXCHANGE OF SUCH COMMERCIALLY SENSITIVE INFORMATION, THESE BEAUTY FIRMS HAVE NOT INDEPENDENTLY DETERMINED THE RATES THEY OFFERED TO CORPORATE CLIENTS.

YES. SUCH EXCHANGES HARM COMPETITION. WE NEED TO BRING THEM TO THE CCCS OFFICE IMMEDIATELY.





Three beauty salons
fined for exchanging
commercially
sensitive information



THE EXCHANGE OF
COMMERCIALLY SENSITIVE
INFORMATION REDUCES
COMPETITIVE PRESSURES
FACED BY COMPETING
BUSINESSES IN MAKING
COMMERCIAL DECISIONS SUCH
AS DETERMINING PRICES
OFFERED TO CUSTOMERS. THIS
CAN RESULT IN CUSTOMERS
HAVING LESS COMPETITIVE
PRICES AND OPTIONS!

"Fudged!" features three cautionary tales for businesses – reflecting some of the common unfair trade practices which are carried out to the disadvantage of consumers, as well as anti-competitive agreements which businesses make amongst themselves.

The **Competition and Consumer Commission of Singapore (CCCS)** administers and enforces the Competition Act to keep markets competitive and also administers the Consumer Protection (Fair Trading) Act 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 businesses and consumers in Singapore.

1) Complaint against an errant retailer regarding an unfair trade practice

Under the Consumer Protection (Fair Trading) Act (CPFTA), it is an unfair practice for a supplier to mislead, make a false claim or take advantage of a consumer if the supplier knows or ought to know that the consumer is not in a position to protect his own interests or is not reasonably able to understand the transaction or any matter related to it.

If consumers encounter suppliers who engage in unfair practices, they can approach the Consumers Association of Singapore (CASE) (hotline: 6100 0315, website: www.case.org.sg) as the first point of contact to assist them in seeking redress through negotiation and/or mediation. CASE may also invite the suppliers involved to enter into Voluntary Compliance Agreements to cease the unfair practices.

Errant retailers who persist in unfair trade practices will be referred to CCCS for investigation.

2) Complaint against anti-competitive conduct

A complaint may be filed to CCCS if you suspect any business, company, or organisation is engaged in conduct that infringes any of the following prohibitions under the Competition Act:

- Anti-competitive agreements – agreements or concerted practices which prevent, restrict or distort competition within any market in Singapore such as agreements to fix prices, share markets, limit output or rig bids;
- Abuse of a dominant position – where businesses with substantial market power prevent or hamper others from competing within any market in Singapore such as using exclusive agreements to prevent competitors from being able to compete effectively;
- Anti-competitive mergers – where a merger results, or may result, in a substantial lessening of competition within any market in Singapore such as the merged entity being able to raise prices or reduce output/quality.

More information can be found at www.cccs.gov.sg.





COMPETITION
& CONSUMER COMMISSION | SINGAPORE



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