



MEDIA RELEASE

21 December 2017

CCS Consults on the Proposed Collaboration between ComfortDelGro Corporation Limited and Uber Technologies, Inc.

The Competition Commission of Singapore (“**CCS**”) is conducting a public consultation from 21 December 2017 to 8 January 2018 to invite interested parties to provide feedback on the proposed acquisition by ComfortDelGro Corporation Limited (“**CDG**”) of 51% of the existing and paid up shares of Lion City Holdings Pte. Ltd. (“**Lion**”) from Uber Technologies, Inc. (“**Uber**”) (“**Proposed Acquisition**”) as well as a strategic alliance pursuant to a Commercial Collaboration Agreement between CDG and Uber (“**Proposed Collaboration**”).

2. CCS received notifications from CDG, Lion and Uber (collectively, “**Parties**”) for a decision on the Proposed Acquisition and Proposed Collaboration on 11 December 2017. CCS accepted the notifications as complete on 18 December 2017. CCS is assessing the notifications pursuant to:

- a. Section 54 of the Competition Act (Cap. 50B), which prohibits mergers that have resulted, or may be expected to result, in a substantial lessening of competition within any market in Singapore, with respect to the Proposed Acquisition; and
- b. Sections 34 and 47 of the Competition Act (Cap. 50B), which prohibit agreements that prevent, restrict or distort competition within Singapore and the abuse of a dominant position in any market in Singapore by an entity respectively, with respect to the Proposed Collaboration.

The Parties

3. CDG is a multinational land transport company listed on the Mainboard of the Singapore Exchange Securities Trading Limited that carries out the business of providing bus, taxi, rail, car rental and leasing, automotive engineering services, inspection and testing services, driving centre, insurance broking services as well as outdoor advertising.

4. Uber is a global technology company that has developed software to facilitate local transportation services, more particularly by matching drivers and riders to facilitate peer-to-peer transportation. Uber operates, through Lion and its subsidiaries, a car leasing company that mainly caters to drivers wanting to offer chauffeured private hire car services in Singapore.

The Proposed Acquisition

5. The Parties submit that Lion will be under effective joint control of CDG and Uber, and will operate as a full-function joint venture on a lasting basis pursuant to the Proposed Acquisition.

6. According to the Parties:

- a. CDG and Uber/Lion overlap in the rental/leasing of private cars, and the provision of taxi and chauffeur private hire car services.
- b. The rental car market is extremely competitive, in view of the presence of a large number of existing competitors in the market of varying sizes, business models, combinations and scale of operations, private car usage, low barriers to entry, the ability to self-supply, and the constraint imposed by the fact that demand for rental services is contingent on driving representing a sufficiently attractive choice of occupation (which will be a function of, among other things, rental prices) to prevent drivers from seeking other labour market opportunities.

The Proposed Collaboration

7. The Proposed Collaboration envisages the integration of Uber and CDG taxi's smartphone mobile applications and the launch of "uberFLASH".

8. According to the Parties:

- a. Following the Proposed Collaboration, consumers will be able to order CDG taxis via the Uber App.
- b. Uber will use its proprietary technology to dispatch the closest available taxi or chauffeured private hire car.
- c. Although the Proposed Collaboration will cover booking services for meter-fared taxi services¹, it will generally not cover CDG taxi's core street hail

¹ Based on the Parties' submissions, the Proposed Collaboration would cover booking services for meter-fared taxi services, with meter fares continuing to be set by CDG.

business. It will, amongst other things, involve combining fleet resources of both CDG and Uber to efficiently and effectively cater to the transportation needs of users of intra-city transportation services in Singapore.

Public Consultation

9. CCS is inviting public feedback in relation to the Proposed Acquisition and Proposed Collaboration.

10. More information on the public consultation can be accessed and downloaded from the CCS website at www.ccs.gov.sg under the section "[Public Register and Consultation](#)". The closing date for submissions is on **8 January 2018**. If the submission/correspondence contains confidential information, please also provide CCS with a non-confidential version of the submission or correspondence.

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About The Competition Commission of Singapore (CCS)

CCS is a statutory board established under the Competition Act (Chapter 50B) on 1 January 2005 to administer and enforce the Act. It comes under the purview of the Ministry of Trade and Industry. The Act empowers CCS to investigate alleged anti-competitive activities, determine if such activities infringe the Act and impose suitable remedies, directions and financial penalties.

For more information, please visit www.ccs.gov.sg.

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