



## **MEDIA RELEASE**

6 April 2017

### **CCS Issues Proposed Infringement Decision Against 5 Capacitor Manufacturers for Price Fixing and Exchanging Confidential Business Information**

1. The Competition Commission of Singapore (“CCS”) has today issued a Proposed Infringement Decision<sup>1</sup> (“PID”) against five capacitor manufacturers (“Parties”). The Parties are as follows:

- (i) Panasonic Industrial Devices Singapore, and Panasonic Industrial Devices Malaysia Sdn. Bhd.
- (ii) Rubycon Singapore Pte. Ltd.
- (iii) Singapore Chemi-con Pte. Ltd.
- (iv) Nichicon (Singapore) Pte. Ltd.
- (v) ELNA Electronics (S) Pte. Ltd.

2. Capacitors are electrical components used in electrical devices such as computers and a variety of domestic appliances (please refer to Appendix 1 for photograph). CCS proposes to find that the Parties engaged in anti-competitive agreements, including price fixing and unlawful exchange of confidential business information in respect of the sale, distribution and pricing of Aluminium Electrolytic Capacitors (“AECs”) to customers in Singapore (“the Conduct”), thereby infringing section 34 of the Competition Act (Cap. 50B) (the “Act”). The Parties sold AECs to customers such as original equipment manufacturers and electronic manufacturing service providers, distributors that resell capacitors and international procurement offices based in Singapore who procure and supply capacitors to customers in and outside of Singapore.

3. CCS commenced its investigation into the Conduct after receiving an application for immunity under CCS’s Leniency Programme<sup>2</sup> from one of the Parties for its involvement in the Conduct. CCS’s investigation revealed that the Parties held regular meetings in Singapore where they (i) exchanged confidential and commercially sensitive business information such as customer quotations, sales volumes, production capacities, business plans and pricing strategies; (ii) discussed and agreed on sales prices, including various price increases; and (iii) agreed to reject

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<sup>1</sup> The PID sets out the facts on which CCS relies and the reasons for arriving at the proposed decision. It is issued to provide Parties with an understanding of the basis for CCS’s PID, to assist Parties to make representations and provide any other information in support Parties’ representations for CCS’s consideration.

<sup>2</sup> Please refer to Appendix 2 for more information on CCS’s Leniency Programme.

customers' requests collectively for reduction in prices of AECs sold to them in the ASEAN region, including Singapore.

4. Under the Act, competitors should not enter into any agreement, exchange commercially sensitive information on prices or engage in any concerted practice to prevent, restrict or distort competition. They should, instead, independently determine their respective conduct on the market.

5. The Parties have six weeks from the receipt of the PID to make their representations to CCS. CCS will then make its final decision, after careful consideration of the representations, as well as all available information and evidence.

- End -

### **About The Competition Commission of Singapore (CCS)**

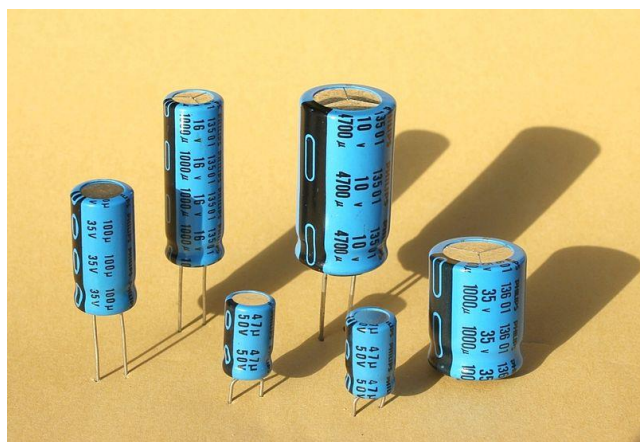
CCS is a statutory board established under the Competition Act (Chapter 50B) on 1 January 2005 to administer and enforce the Act. It comes under the purview of the Ministry of Trade and Industry. The Act empowers CCS to investigate alleged anti-competitive activities, determine if such activities infringe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

For more information, please visit [www.ccs.gov.sg](http://www.ccs.gov.sg).

### **For media clarification, please contact**

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## Appendix 1 – Sample Photo of AECs



## Appendix 2 – CCS's Leniency Programme

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

Due to the secret nature of cartels, undertakings participating or which have participated in them should be given an incentive to come forward and inform CCS of the cartel's activities. The policy of granting lenient treatment to these undertakings which co-operate with CCS outweighs the policy objectives of imposing financial penalties on such cartel participants.

Where eligible for lenient treatment, undertakings can be granted total immunity or be granted a reduction of up to either 100% or 50% in the level of financial penalties, where applicable. For more information, please refer to the CCS Guidelines on Lenient Treatment for Undertakings Coming Forward with Information on Cartel Activity 2016 which can be found on CCS's website at: <https://www.ccs.gov.sg/legislation/ccs-guidelines>