

MEDIA RELEASE

5 September 2024

CCCS Penalises Company and Ex-Director for Rigging Bids

The Competition and Consumer Commission of Singapore (“**CCCS**”) has, for the first time, taken enforcement action against companies that were formed for the purposes of facilitating bid-rigging conduct and issued an infringement decision¹ against an undertaking in his individual capacity.² An Infringement Decision (“**ID**”) against Rei Securite Pte. Ltd. (“**Rei**”) and Soh Chee Keong (“**Soh**”) (collectively, the “**Parties**”) was issued today, for engaging in bid-rigging conduct when tendering to supply licences for vulnerability management software³ (“**VMS**”) and related support services for three invitations to quote (“**ITQs**”) called by Ngee Ann Polytechnic (“**NP**”) between January 2021 and November 2022.⁴ The values of the affected ITQs were between \$63,000 and \$65,000.

CCCS’s Investigation

2. Following a complaint from NP which first detected the anti-competitive conduct and alerted CCCS in January 2023, CCCS commenced investigations into the Parties.
3. To create an illusion of competition, Soh and Rei hatched a plan whereby Soh submitted cover bids by two newly incorporated companies, QBTT Pte Ltd⁵ (“**QBTT**”) and Contabilita Pte Ltd (“**Contabilita**”), for each of the affected ITQs so as to put Rei

¹ The Infringement Decision sets out the facts and evidence on which CCCS makes its assessment and its reasons for arriving at the decision.

² Individuals can be liable under the Competition Act 2004 (the “**Act**”) and subjected to a financial penalty if they fulfil the definition of an “undertaking” (i.e. capable of carrying on commercial or economic activities relating to goods or services) and if they infringe the Act.

³ The vulnerability management software is used to perform vulnerability assessment scans and source code reviews on NP’s student management system.

⁴ The Parties’ conduct has infringed Section 34 of the Act, which prohibits any agreements between undertakings, decisions by associations of undertakings or concerted practices which have as their object or effect the prevention, restriction or distortion of competition within Singapore.

⁵ While Soh was the sole director and shareholder of QBTT, he was concurrently contracted by Rei (in his own capacity) to provide IT support services to NP, in respect of the VMS license that Rei was contracted to provide for the affected ITQs.

in a better position to win the ITQs.⁶ These were companies with no business activity or revenue. Both companies never won or had the intention to win any of the NP ITQs.

4. Investigations revealed that Soh had prepared and edited the bids for Rei, Contabilita and QBTT, which he submitted on GeBIZ⁷ at different times using their Corppass accounts, such that the submissions appeared to be independently prepared and submitted. Soh was fully aware of Rei's bid prices, and had ensured that QBTT and Contabilita had priced their respective bids in a manner that would ensure Rei's bid would be the lowest and therefore the most competitive. Rei and Soh both benefitted from the arrangement when Rei won the ITQs. Soh received payment from Rei of up to \$34,000 as "service fees" for providing IT support services to NP on behalf of Rei in respect of each of the affected ITQs.

5. Following the Proposed Infringement Decision issued to them on 2 August 2024,⁸ the Parties were given the opportunity to respond and make representations to CCCS. However, none of them submitted any responses or objections.

Financial Penalties

6. For their bid-rigging conduct, CCCS has imposed the following financial penalties on the Parties:⁹

Party	Financial Penalty
Rei Securite Pte. Ltd.	\$6,237
Soh Chee Keong	\$2,550
Total	\$8,787

7. Mr. Alvin Koh, Chief Executive, CCCS said: "Bid-rigging distorts competition in the market and prevents businesses from competing fairly. In this case, the use of companies for the sole purpose of submitting cover bids created a false sense of competition, and prevented Ngee Ann Polytechnic from obtaining the best value from the ITQ process. CCCS has a zero-tolerance approach towards such practices. We urge businesses and government agencies to report potential bid-rigging and irregularities in their tendering processes to CCCS."

⁶ QBTT, Contabilita and Rei were the only participants in the affected ITQs. CCCS's ID was addressed to Rei and Soh, but not QBTT and Contabilita as the companies have been struck off since 4 September 2023.

⁷ GeBIZ refers to the Government Electronic Business Portal.

⁸ The media release can be found [here](#).

⁹ In imposing financial penalties, CCCS considered the relevant turnovers of the Parties, the nature, duration and seriousness of the infringement as well as aggravating and mitigating factors. In this case, while CCCS considers bid-rigging to be a serious infringement of the Act, the penalties imposed on the Parties are lower than CCCS's previous cases due to the low turnovers of the Parties.

8. Any business that is currently involved in a cartel should approach CCCS to make a [leniency application](#) as soon as possible.¹⁰ Separately, any persons with useful information on cartel activity in Singapore, may provide that information to CCCS under CCCS's Reward/Whistle-blowing scheme. Monetary rewards of up to \$120,000 can be paid to such informants. More information on this can be found [here](#).

9. Further information on the investigation, analysis of the case and the basis of calculation of the financial penalties imposed on the infringing parties are set out in the Infringement Decision [here](#).

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¹⁰ More information on CCCS's Leniency Programme can be found in the Appendix.

About the Competition and Consumer Commission of Singapore (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 2004 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 2003 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.

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

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Appendix - CCCS's Leniency Programme

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.

Due to the secret nature of cartels, businesses participating or which have participated in them are given an incentive to come forward and inform CCCS of the cartel's activities. The policy of granting lenient treatment to these businesses which cooperate with CCCS outweighs the policy objectives of imposing financial penalties on such cartel participants.

Where eligible for lenient treatment, businesses can be granted total immunity or be granted a reduction of up to either 100% or 50% in the level of financial penalties, depending on whether CCCS has already begun an investigation and the timing of the leniency application. For more information, please refer to the *CCCS Guidelines on Lenient Treatment for Undertakings Coming Forward with Information on Cartel Activity 2016* which can be found on CCCS's website [here](#).