

IN THE ACT

MAKING MARKETS WORK WELL

ISSUE 10 | JUNE 2021 - SEPTEMBER 2021

UNFAIR PRACTICES BUSTED

Bust Treatment Centre Stops
Unfair Practice on False Claims
and Pressure Sales Tactics

BLUEPRINT

*Consumer Advisory on
Online Shopping*

Find out what are the
common tactics used to
mislead consumers and
how consumers can
protect themselves

SHOWCASE

Fudged! New CCCS Manga and
Animation Videos featuring three
cautionary tales for businesses



CE's NOTE

SIA AIK KOR
CHIEF EXECUTIVE
COMPETITION AND CONSUMER COMMISSION OF SINGAPORE

This issue highlights CCCS's investigation against Tokyo Bust Express Pte Ltd for making false claims about its treatments and products, as well as using pressure selling tactics. Tokyo Bust Express Pte Ltd has since provided an undertaking to stop engaging in such unfair practices. CCCS continues to work with the Consumers Association of Singapore (CASE) to monitor the beauty industry. Businesses should ensure that representations made to consumers about their products or services are accurate and should refrain from engaging in aggressive sales tactics.

As online shopping has become more prevalent amidst the COVID-19 pandemic, CCCS and CASE issued a joint advisory on the common tactics used by errant online retailers to mislead consumers into purchasing products and the precautions consumers can adopt to avoid falling prey.

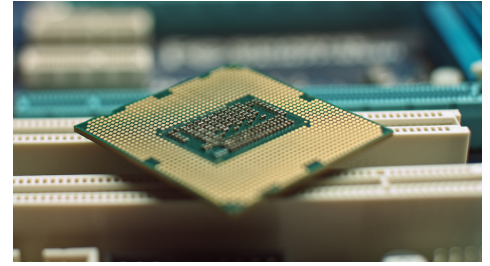
On the competition front, CCCS cleared three mergers between June and September. The first two mergers in the semiconductor industry involved SK Hynix Inc. and Intel Corporation's NAND and Solid State Drive business, as well as Advanced Micro Devices, Inc. and Xilinx Inc. The third was in the marine drilling services industry pertaining to a joint venture company which will combine the Baker Hughes Company's subsea drilling services business and Akastor ASA's subsidiary MHWirth AS.

On the international front, CCCS hosted the 16th East Asia Top Level Officials' Meeting on Competition and the 13th East Asia Conference virtually from 28-29 September. Over 70 senior competition officials from ASEAN, Australia, Chinese Taipei, Hong Kong, Japan, Korea, Mongolia, and New Zealand attended the EATOP meeting, while more than 200 participants attended the East Asia Conference. I am very thankful for the support provided by the Japan Fair Trade Commission and the Asian Development Bank Institute and for the active participation by the various competition agencies and other stakeholders.

I am also glad to announce that CCCS has become a partner of International Consumer Protection and Enforcement Network (ICPEN), an organization of consumer protection authorities from 70 countries, representing some 5 billion global consumers. CCCS will continue to participate actively to shape the development of consumer protection policies and law.

On 17 September, CCCS organised a roundtable with the Economic Society of Singapore on the interface between sustainability and competition and consumer protection laws. CCCS also announced a \$50,000 research grant to encourage research on competition and consumer protection issues in Singapore relating to sustainability. The research output may aid CCCS's future policies and initiatives on such issues.

CONTENTS



SPOTLIGHT

Unfair Practices Busted	3
Merged Memory	5
Semiconductor Suppliers Fused	6
Marine Drilling Services Merged	7

SHOWCASE

Fudged! - CCCS Manga & Anime	8
------------------------------	---

TALKING POINT

CCCS-ESS Economics Roundtable 2021	10
CCCS Invites Research Proposals on Sustainability, Competition and Consumer Protection	11

GLOBAL ACT

CCCS hosts the 16th EATOP and 13th EAC	12
GCR Connect: Law Leaders Asia-Pacific 2021	13
Launch of OECD Reports on Logistics Sector	13
CCCS becomes ICPEN Partner	13

BLUEPRINT

Consumer Advisory on Online Shopping	14
--------------------------------------	----

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.

CONTACT US:

Email: cccs_corporate_communications@cccs.gov.sg
Hotline: 1800 325 8282



SPOTLIGHT



UNFAIR PRACTICES BUSTED

Tokyo Bust Express ceases false claims and pressure sales tactics

CCCS's investigation on Tokyo Bust Express Pte Ltd ("TBE") found that it had engaged in pressure selling tactics and made false claims that its treatments could increase customers' bust cup sizes or prevent breast diseases, including cancer. These are unfair practices under the Consumer Protection (Fair Trading) Act ("CPFTA"). The Consumers Association of Singapore ("CASE") had referred the case to CCCS after TBE failed to comply with the Voluntary Compliance Agreement entered with CASE in May 2015 and CASE continued to receive consumer complaints on TBE.

While under investigation, TBE made changes to its business practices and removed objectional posts on its social media platforms and marketing materials. TBE also gave an undertaking to CCCS to cease making false

claims and engaging in pressure sales tactics, amongst others. After considering the facts of the case and the steps taken by TBE to address CCCS's concerns, CCCS closed its investigation.

CCCS will continue to work with CASE to monitor the beauty industry. Retailers should ensure that they do not engage in unfair practices that violate the CPFTA. Consumers can say "No" to offerings from retailers which are marketed through pressure selling or with dubious claims.

Scan to
read more
about the
case




<https://go.gov.sg/8b4n7s>


FALSE/UNSUBSTANTIATED CLAIMS ABOUT ATTRIBUTES OF PRODUCTS/SERVICES & PRESSURE SALES TACTICS

A

False/unsubstantiated claims on performance, benefits and qualities of products/services:

Such claims would:


 Mislead consumers on the results, effects or benefits of products/services.


 Induce consumers to purchase products/services, and/or pay a premium.

B


Pressure sales tactics:


Such tactics would:


 Overwhelm or intimidate consumers.

 Compel consumers to purchase in haste, or out of fear or confusion.


 **Businesses should:**


 Ensure that claims made about products/services are objective, verifiable and reliable.

 Always provide clear and accurate information to consumers.

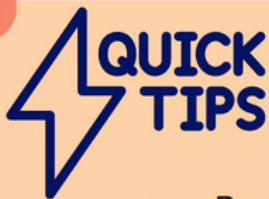
 Make clear any disclaimers about products/services.

 **Businesses should not:**





 Exert pressure on the consumer to push for a sale.

 Promote products/services to consumers in circumstances when they are unable to comprehend or respond clearly.

C



FOR CONSUMERS

-  Be wary of exaggerated or dubious claims and refuse any products/services with such claims.
-  Conduct research on products/services before committing to a purchase decision.
-  Firmly say 'No' and walk away from pressure selling and aggressive sales tactics.
-  Consider patronising CaseTrust accredited businesses which are committed to fair trading practices and transparency to consumers.

SPOTLIGHT



MERGED MEMORY

CCCS clears merger of NAND flash memory businesses

CCCS has cleared the proposed acquisition by SK Hynix Inc. (“SK Hynix”) of Intel Corporation’s (“Intel”) NAND and Solid State Drive (“SSD”) business (the “Target Business”).

SK Hynix is active in memory semiconductors, such as NAND flash memory and Dynamic Random Access Memory and storage solutions such as SSDs. Intel has a broad product portfolio and the Target Business (which is currently part of Intel) is active in NAND flash memory, and SSDs that utilise NAND flash memory technology.

Respondents to CCCS’s public consultation exercise indicated that they have no competition concerns. In its assessment, CCCS found, among

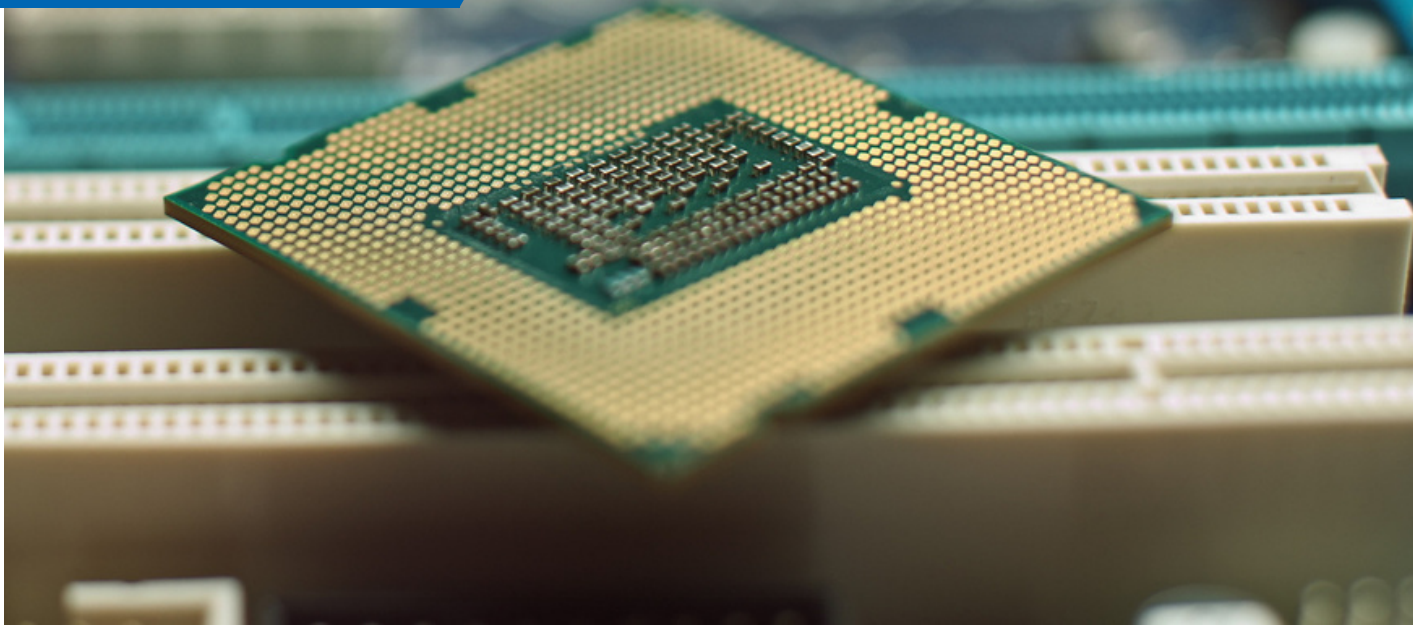
others, that there is a high degree of competition and SK Hynix and Intel will continue to face competitive constraints from several other strong suppliers. It is also not difficult for customers to switch suppliers and some large customers of NAND flash memory and SSDs may also have the ability to enter the market and self-supply, which suggests that they have countervailing buyer power.

Scan to
read more
about the
case



<https://go.gov.sg/g5e0ev>

SPOTLIGHT



SEMICONDUCTOR SUPPLIERS FUSED

AMD and Xilinx proposed acquisition cleared by CCCS

CCCS has cleared the proposed acquisition by Advanced Micro Devices, Inc. (“AMD”) of Xilinx, Inc. (“Xilinx”).

AMD is a global semiconductor company and supplies, among others; central processing units (“CPUs”) or microprocessors, and discrete graphic processing units (“GPUs”). Xilinx is also a global semiconductor company which designs and supplies products such as field programmable gate arrays (“FPGAs”), a type of programmable device that can be configured by customers to perform logic and processing tasks.

CCCS’s assessment found that there is no horizontal overlap between AMD and Xilinx’s products. There is also no vertical relationship between them as neither is active in the supply of

any products that are upstream or downstream relative to the products of the other.

CCCS also found that the merger is unlikely to give rise to a substantial lessening of competition as the merged entity is unlikely to have the ability or incentive to foreclose competition in the markets for CPUs, discrete GPUs or FPGAs post-merger. Among others, this is because AMD does not have significant market shares in any markets for CPUs or discrete GPUs.

Scan to
read more
about the
case



<https://go.gov.sg/lune19y>

SPOTLIGHT



MARINE DRILLING SERVICES MERGED

CCCS clears Baker Hughes and Akastor joint venture for Subsea Drilling Services

CCCS has cleared the proposed acquisition of joint control by Baker Hughes Company ("Baker Hughes") and Akastor ASA ("Akastor") of a proposed joint venture ("JV") which will combine Baker Hughes's Subsea Drilling Services business and Akastor's subsidiary MHWirth AS.

Baker Hughes is a global provider of integrated oilfield products, services, and digital solutions that enhance productivity, minimise risks and lower costs across the entire spectrum of oil and gas development. Akastor is an investment company with a portfolio of companies in the oilfield services sector in addition to other smaller-sized holdings.

In its assessment, CCCS found that while the post-merger relevant market share of Baker Hughes and Akastor range from 20 - 40 % and the barriers

to entry are high, the merging parties are unlikely to be each other's closest competitors and will continue to face competitive constraints from other large global competing suppliers post-merger. CCCS also found that marine drilling risers are generally substitutable at the point of purchase, and customers do not face any difficulty in switching suppliers for different drilling rigs should they wish to do so post-JV.

Scan to
read more
about the
case

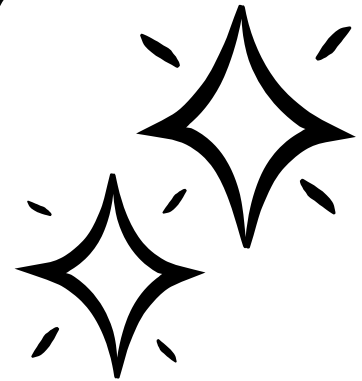


<https://go.gov.sg/xb7vhe>

SHOWCASE

"FUDGED!" – CCCS MANGA AND ANIME

CCCS recently published the 5th issue of its manga comic book series. Entitled "Fudged!", the comic comprises three short stories which both consumers and businesses can relate to, and end with reminders to retailers not to engage in unfair practices prohibited under the CPFTA such as pressure-selling and falsely offering free gifts, as well as anti-competitive agreements prohibited under the Competition Act such as exchange of commercially sensitive information. Tips on what businesses should not do are also included.



Scan to read the manga



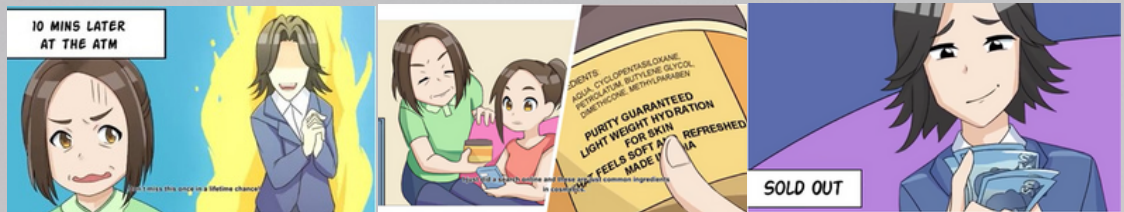
<https://go.gov.sg/sxxm5y>

SHOWCASE

"FUDGED!" – CCCS MANGA AND ANIME

The manga is also brought to life in three anime videos available on CCCS's Youtube page.

▶ FAIREST OF THEM ALL



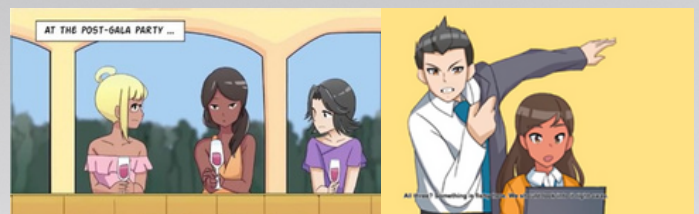
Using pressure tactics on consumers to sell your products? Making false and unsubstantiated claims or guarantees about your goods or services? Think twice!

▶ A HAIRY PROBLEM



Are you genuinely offering gifts, prizes or free items to your customers? When you put up something for sale, do you refuse to supply and intend to promote something else instead? Think twice!

▶ CURIOSITY KILLED THE CAT



Are you exchanging commercially sensitive information, such as prices offered to customers, with business competitors?

Three beauty salons fined for exchanging commercially sensitive information

Such exchanges harm competition! Anti-competitive agreements which businesses make amongst themselves are prohibited under Singapore's Competition Act.



Scan to watch the manga videos

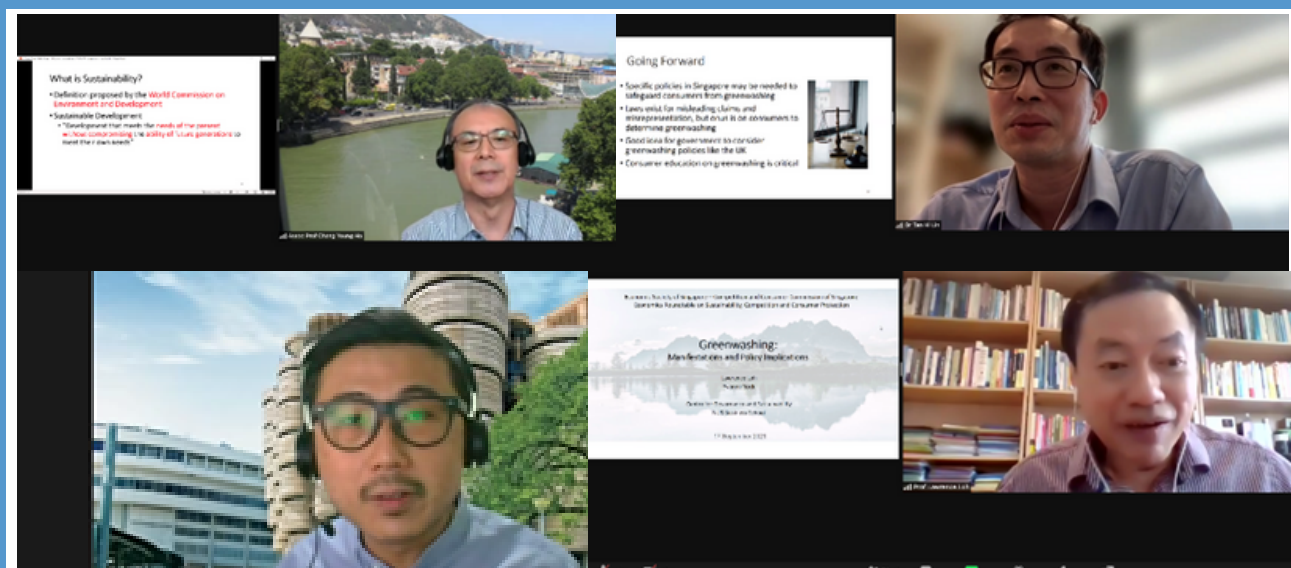


CCCS-ESS ECONOMICS ROUNDTABLE 2021: SUSTAINABILITY, COMPETITION AND CONSUMER PROTECTION

Sustainability is becoming an increasingly important issue taking the forefront of national agendas, both domestically and internationally. Given the increased focus on sustainability by government, CCCS organized an Economics Roundtable on the topic of “Sustainability, Competition and Consumer Protection” on 17 September 2021. Speakers with significant domain knowledge and experience explored the different ways in which sustainability interfaces with competition and consumer protection laws. The speakers discussed the role of sustainability considerations in net economic benefits assessment, the empirical impact of sustainability product mislabeling (i.e., greenwashing) on competition and consumers, and whether sustainability concerns are compatible with competition and consumer concerns in respect of the right to repair movement.

The panel of speakers comprised:

- **Dr Chang Young Ho**, Associate Professor, School of Business, SUSS and Honorary Secretary, ESS
- **Dr Tang Cheng Keat**, Assistant Professor, School of Social Sciences, NTU
- **Prof Lawrence Loh**, Director, Centre for Governance and Sustainability, NUS
- **Dr Jin Chen**, Assistant Professor, Department of Information Systems and Analytics, NUS



TALKING POINT

CCCS INVITES RESEARCH PROPOSALS ON SUSTAINABILITY, COMPETITION AND CONSUMER PROTECTION

CCCS is inviting researchers to submit proposals on the topic of “**Sustainability, Competition and Consumer Protection in Singapore**” in its launch of a research grant.

Scan to read more about the research grant



AIM

To encourage research on competition and consumer protection issues in Singapore relating to sustainability

ELIGIBILITY AND FUNDING

- Open to all, including academics worldwide
- Successful applicant will receive a total of S\$50,000 in research funding

AREAS OF RESEARCH

Areas of research may include:

- a) quantifying environmental benefits of business collaborations that may harm competition;
- b) the empirical impact of misleading sustainability claims (i.e., greenwashing) on consumers and competition; and
- c) evaluating the merits of the right to repair movement by weighing sustainability, competition and consumer choice against safety, quality and intellectual property considerations.

APPLICATION & CLOSING DATE

- All applicants are required to complete the [CCCS Research Grant Proposal Application Form](#)
- Application and all supporting documents (in Microsoft Word or pdf format) must be submitted by 5pm Singapore time, 17 December 2021, via email to: cccs_research_grant@cccs.gov.sg

FOR MORE INFORMATION

- Refer to the [Brief to Applicants on the CCCS Research Grant 2021](#) for more information on the conditions and application process.
- Enquiries on the grant should be sent to cccs_research_grant@cccs.gov.sg

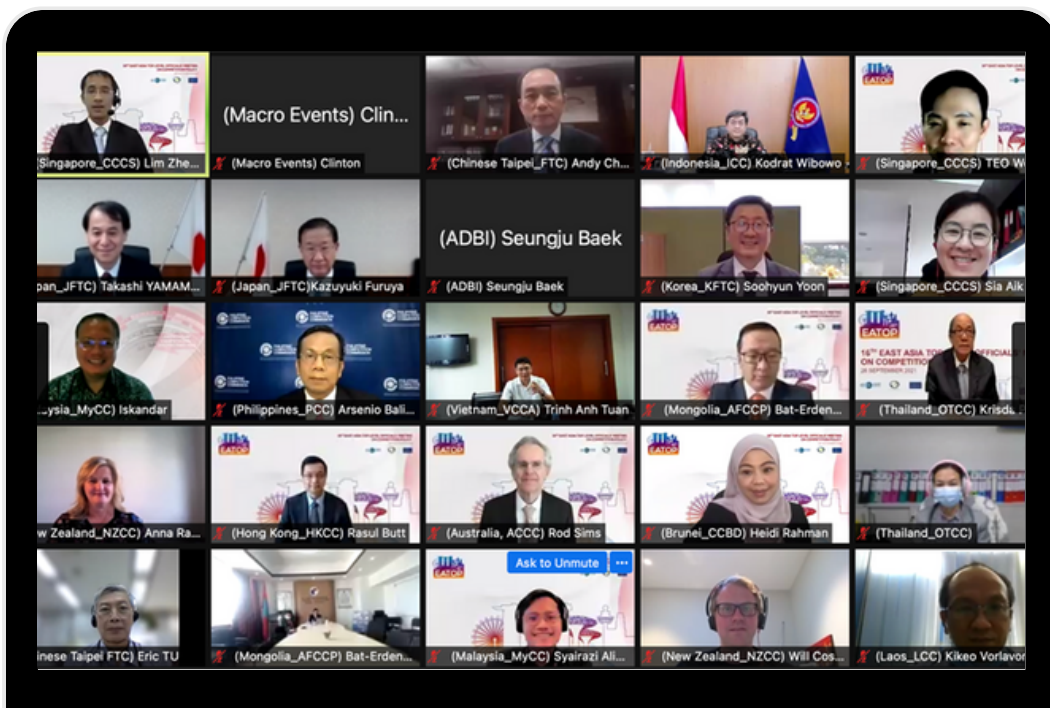
CCCS HOSTS THE 16TH EAST ASIA TOP LEVEL OFFICIALS' MEETING ON COMPETITION POLICY AND 13TH EAST ASIA CONFERENCE ON COMPETITION LAW AND POLICY



CCCS hosted the 16th East Asia Top Level Officials' Meeting on Competition Policy ("EATOP") and 13th East Asia Conference on Competition Law and Policy ("EAC") on 28 and 29 September 2021 respectively. Held in collaboration with the Japan Fair Trade Commission and the Asian Development Bank Institute, the EATOP brought together heads of competition agencies in East Asia virtually for the first time to discuss developments on competition policy and law in the context of the Covid-19 pandemic.

CCCS also welcomed government officials, business leaders, competition practitioners and academics to discuss how digital technologies have impacted competition policy and law in East Asia at the 13th EAC, which was held in conjunction with the 16th EATOP.

Established in 2005, the EATOP is an annual closed-door event that has been instrumental in facilitating discussions and exchanges on competition issues among senior officials from East Asian competition law agencies and competition related authorities to strengthen cooperation in the region. The next EATOP will be hosted by the Philippine Competition Commission in 2022.



16th EATOP Meeting



LAUNCH OF OECD REPORTS ON LOGISTICS SECTOR IN SINGAPORE



CCCS and the Organisation for Economic Co-operation and Development (OECD) co-organised the launch of two reports on the competition assessment of the logistics sector in Singapore on 4 June 2021. The reports, **OECD Competition Assessment Reviews: Logistics Sector in Singapore** and **OECD Competitive Neutrality Reviews: Small-Package Delivery Services in Singapore**, provide

independent analysis and recommendations by the OECD as part of its project on Fostering Competition in ASEAN. The reports review various regulatory and competition issues relating to logistics services, freight transportation and forwarding, small-package delivery, and the role of state-owned enterprises in Singapore. The OECD assessment was conducted with inputs from various government agencies and local stakeholders in Singapore, with the support of the CCCS and the ASEAN Secretariat.

Around 100 representatives from both the public and private sectors in Singapore, as well as officials from other ASEAN competition authorities attended the virtual launch event. A panel discussion was also organized and moderated by CCCS's Assistant Chief Executive (Policy, Business & Economics), Ms Ng Ee Kia. The panel saw speakers sharing their views on the OECD's findings and discussing pertinent issues on the logistics sector in Singapore.

CCCS ATTENDED VIRTUAL HIGH-LEVEL MEETING AND CONFERENCE CANADA AS ICPEN PARTNER



CCCS's Chief Executive, Ms Sia Aik Kor, represented CCCS at the ICPEN Virtual High-Level Meeting and Conference from 22 to 24 June 2021. This meeting also marked CCCS's first attendance as an ICPEN Partner. ICPEN provides a forum for Consumer Protection (CP) law enforcement authorities from across the globe for sharing experiences on CP issues and concerns. Ms Sia spoke on CCCS's role as an ICPEN Partner organisation, while Mr. Jack Teng (Director, Consumer Protection Division, CCCS) presented on the CPFTA and CCCS's work. The meeting also discussed enforcement and consumer protection issues relating to COVID-19, environmental claims, digital economy and artificial intelligence.

GCR CONNECT: LAW LEADERS ASIA-PACIFIC 2021

An ASEAN Enforcers Roundtable comprising senior officials from competition authorities from ASEAN was held as part of the GCR Connect: Law Leaders Asia-Pacific Conference on 26 & 27 August 2021. CCCS's Chief Executive, Ms Sia Aik Kor, participated in the roundtable and shared with the audience the key competition developments in Singapore that took place over the past year.

BLUEPRINT

CONSUMER ADVISORY ON ONLINE SHOPPING

CASE and CCCS issued a consumer alert on 2 September 2021 on common tactics used by errant online retailers to mislead consumers into purchasing products.

From 1 January 2020 to 2 August 2021, CASE received 52 complaints related to transactions with overseas online retailers where consumers were misled into making purchases. Attempts to get a refund of money paid to such online retailers may be difficult as they may not have any presence in Singapore.

Common examples of tactics used by errant online retailers include (a) False or misleading information on business location; (b) False or misleading claims about the products sold; (c) Seemingly large discounts; and (d) False contact information for consumer refunds and redress. Consumers are advised to be alert and to adopt precautions to minimise the risk of falling prey to such tactics.

Online shopping has become more prevalent amidst the COVID-19 pandemic. Consumers should be vigilant and exercise due care when buying products online. Consumers who encounter unfair practices by retailers with a presence in Singapore can approach CASE for assistance. For more information, please visit www.case.org.sg or call 9795 8397.



Scan to read
more

<https://go.gov.sg/ib1w5o>

Shopping online? See our Tips & Checklist on the next page >>

BLUEPRINT



BE VIGILANT WHEN SHOPPING ONLINE

Protect yourself from false claims by online retailers

COMMON TACTICS USED TO MISLEAD CONSUMERS

- Give false impression that retailer's business is based in Singapore.
- Put up false or misleading claims on brand, quality, country of origin or awards received.
- Offer branded products at extremely low prices due to clearance/closing down sales, when goods may not be genuine.
- Provide fictitious contact information (e.g. hotline or email) for refunds or redress.



CHECKLIST FOR SHOPPING ONLINE



Before making a purchase:

- Ensure information on retailer's business location is consistent¹ (e.g. website, contact details).
- Research the authenticity of accreditation/awards linked to the product sold.
- Buy only when claims made by retailer can be verified.
- Check terms & conditions, and return/refund policy on retailer's website or advertisement.



When making a purchase:

- Buy on verified and secured websites with a padlock symbol in the address bar.
- Use escrow payment² whenever available.



Receiving the goods:

Check products when delivered. If they do not match the description given by retailer:

- Reject products.
- Do not make payment if you are paying by cash.
- If payment was made by credit card, initiate a return/refund or raise a chargeback request with credit card issuing bank.

¹ Companies registered in Singapore are verified through Bizfile+ (www.bizfile.gov.sg).

² Escrow payment refers to the payment arrangement where a third party holds the money paid by customers, and disburses the money paid to a retailer only after certain conditions are met.



Visit www.ccase.org.sg for more information.

This advisory is brought to you by

