



MEDIA RELEASE

21 August 2014

CCS Consults on the Commitments Proposed by SEEK Ltd. and SEEK Asia Investments Pte. Ltd. in relation to the Proposed Acquisition of JobStreet Singapore

1. The Competition Commission of Singapore (“CCS”) received a merger notification for decision on 20 February 2014 on the proposed acquisition by Seek Ltd. and Seek Asia Investments Pte. Ltd. (“Seek Asia”) (collectively “SEEK”) of 100 per cent of the issued share capital in certain recruitment business assets of the JobStreet Corporation Berhad, including JobStreet.com Pte. Ltd. (“JobStreet Singapore”), (collectively “the Parties”) (“the Proposed Acquisition”).
2. Seek Asia, through its related entities which also include the online platform, JobsDB.com.sg in Singapore, offers online recruitment advertising services and recruitment solutions in Singapore. JobStreet which operates the online platform, JobsStreet.com.sg in Singapore is in the same industry similarly offering online recruitment advertising services and recruitment solutions in Singapore. The Proposed Acquisition will bring together the two main online recruitment advertising service providers in Singapore, being the JobsDB.com.sg and Jobstreet.com.sg platforms, each with a substantial employer / recruiter customer base and jobseeker database.
3. The notification was made under section 57 of the Competition Act (Chapter 50 B) (“the Act”) in relation to section 54 of the Act which prohibits mergers that have resulted, or may be expected to result, in a substantial lessening of competition within any market in Singapore.

4. CCS completed the Phase 1 review¹ of the notification in April 2014 but was unable to conclude that the Proposed Acquisition would not raise competition concerns, based on information furnished during the Phase 1 review. The Parties filed Form M2 on 12 May 2014 and the Proposed Acquisition proceeded to a Phase 2 review.

5. CCS today commenced market consultation on the proposed commitments offered by SEEK in respect of the Proposed Acquisition in order to address the potential competition concerns that may arise as a result of the Proposed Acquisition (“Proposed Commitments”).

6. The Proposed Commitments are as follows:

- a) SEEK will be prevented from entering in exclusive agreements with employer and recruiter customers. By deterring exclusivity, the Proposed Commitments aim to retain the current practice of multi-homing (i.e. utilising more than one online recruitment advertising service platform) by employers and recruiters, as well as jobseekers. It further aims to keep barriers to entry and expansion low, and preserve competition in the market for online recruitment advertising services.
- b) SEEK will be required to maintain current pricing of its services capped at present day rate cards or current day negotiated prices, subject to Consumer Price Index variations. By capping pricing at current levels, the Proposed Commitments seek to address concerns identified by market participants during the Phase 1 and 2 reviews that the closeness of competition between JobsDB Singapore and JobStreet Singapore is likely to cause prices to rise post-merger.
- c) The term of the commitments will be for a period of 3 years from the date of completion of the Proposed Acquisition.

Public Consultation

7. CCS now seeks views from market participants to assist its consideration of the Proposed Commitments and its determination of whether the Proposed Commitments would be likely to address the potential competition concerns arising from the Proposed Acquisition. Following market consultation, CCS will decide whether to accept or reject the Proposed Commitments.

¹ Refer to Annex 1 for explanation of Phase 1 and Phase 2 merger review.

8. 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 10 business days from the date of this media release being on or before 5 September 2014. If the submission/correspondence contains confidential information, please also provide CCS with a non-confidential version of the submission or correspondence.

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.

For media clarifications, please contact:

Ms. Lim Le-Anne
Senior Assistant Director
Strategic Planning Division
Competition Commission of Singapore
Email: lim_le-anne@ccs.gov.sg
DID: 6325 8304 / 9478 8824

Ms. Teo Hwee Leng
Assistant Director
Strategic Planning Division
Competition Commission of Singapore
Email: teo_hwee_leng@ccs.gov.sg
DID: 6325 8216 / 9011 1353

Annex 1

Phase 1 and Phase 2 Merger Review

Set out below is a description of the Phase 1 and Phase 2 merger review conducted by CCS. Further details can be found in the *CCS Guidelines on Merger Procedures 2012*.

A Phase 1 review entails a quick review and allows merger situations which do not raise competition concerns under the section 54 prohibition to proceed. CCS expects to complete a Phase 1 review within 30 business days. By the end of this period, CCS will determine whether to issue a favourable decision and allow the merger situation to proceed. If CCS is unable, at the end of the 30-day period, to conclude that the merger situation will not result in a substantial lessening of competition, CCS will inform the merger parties and the merger parties may file Form M2. Upon receipt of Form M2, CCS will proceed to a Phase 2 review.

A Phase 2 review entails a more detailed and extensive examination of the merger situation. While the principles of substantive assessment are the same, CCS will require access to more extensive and detailed information regarding the merger parties and the markets in question.

As the Phase 2 review is more complex, CCS will endeavour to complete a Phase 2 review within 120 business days.