



## MEDIA RELEASE

11 November 2022

### **CCCS consults on the proposed acquisition by Oki Electric Co., Ltd. of the aviation equipment business of Yokogawa Electric Corporation**

1. The Competition and Consumer Commission of Singapore (“**CCCS**”) is inviting public feedback on the proposed acquisition by Oki Electric Co., Ltd. (“**Oki**”) of the aviation equipment business (the “**Target Business**”) of Yokogawa Electric Corporation (“**YE**”) and its subsidiaries, Yokogawa Manufacturing Corporation and Yokogawa Electric Asia Pte. Ltd. (“**YEA**”) (the “**Proposed Transaction**”).
2. CCCS accepted a joint application from the Oki and YE (the “**Parties**”) on 8 November 2022 for a decision on whether the Proposed Transaction would infringe section 54 of the Competition Act 2004 (the “**Act**”). CCCS is now assessing whether the Proposed Transaction, if carried into effect, would infringe 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.

### **The Parties**

#### Oki

3. Globally, Oki is active in the following business segments: (a) information and communications technology; (b) mechatronics systems; (c) printers; and (d) electronics manufacturing services and others.
4. In Singapore, Oki operates through Oki Data (Singapore) Pte. Ltd., which was established to support distributors in Singapore and Southeast Asia for Oki’s printers and spare parts. Oki offers colour printers, monochrome printers, multifunction printers, DICOM<sup>1</sup> – medical printers, graphic arts printers, large format printers and dot matrix printers.

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<sup>1</sup> DICOM refers to Digital Imaging and Communications in Medicine

## YE

5. Globally, YE is active in the following business segments: (a) energy and sustainability business; (b) materials business; (c) life business; and (d) measuring instruments business.

6. In Singapore, YE's subsidiaries, Yokogawa Engineering Asia Pte Ltd, YEA and Yokogawa Electric International Pte. Ltd. (collectively, "**Yokogawa Singapore**") are the global manufacturing centre for distributed control and safety systems, measuring instrumentation and avionics, and are also YE's global engineering centre. As the regional headquarters, Yokogawa Singapore works closely with the local country offices to serve clients across Southeast Asia, Taiwan and Oceania regions.

### Target Business

7. The Target Business includes YEA's commercial aviation business, which is involved in developing flat panel displays with Thales Avionics and manufacturing other aviation equipment (specifically, thermometers, fuel quantity indicators, control units and image generation devices).

8. In Singapore, the Target Business is involved in manufacturing flat panel displays for aircraft cockpit systems.

### **The Proposed Transaction**

9. The Parties submitted that the Proposed Transaction will not result in a substantial lessening of competition in Singapore because:

- i. Oki and the Target Business do not offer any overlapping goods or services and the structure of the industry would remain unaffected by the Proposed Transaction.
- ii. Without any horizontal overlaps between Oki and the Target Business, the structure of the industry would remain unaffected by the Proposed Transaction such that there will be no change in the markets to incentivise coordination of behaviour by other market players.
- iii. Due to minimal vertical links between the Parties, Oki will have no ability or incentive to engage in anti-competitive customer or input foreclosure post- Proposed Transaction.
- iv. Thales Avionics, the sole customer of the Target Business in Singapore and worldwide, will be able to self-supply or switch to another supplier

post-Proposed Transaction, in response to price changes or any other reasons.

### **Public Consultation**

10. CCCS is inviting public feedback on the Proposed Transaction from 11 November 2022 to 25 November 2022, 5 p.m.
11. More information on the public consultation can be accessed and downloaded from the CCCS website at [www.cccs.gov.sg](http://www.cccs.gov.sg) under the section "[Public Consultation](#)". If the submission or correspondence contains confidential information, please also provide CCCS with a non-confidential version of the submission or correspondence.

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## **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](http://www.cccs.gov.sg).

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