

## **MEDIA RELEASE**

23 November 2011

### **CCS FINES 11 MODELLING AGENCIES FOR PRICE FIXING**

1. The Competition Commission of Singapore (“CCS”) issued today an Infringement Decision against 11 modelling agencies in Singapore for breaching the Competition Act (“the Act”). The agencies were found to have infringed section 34 of the Act, which prohibits, amongst other things, price-fixing activities.
2. The 11 modelling agencies are:
  - a) Ave Management Pte Ltd
  - b) Bees Work Casting Pte Ltd
  - c) Catworkz International Pte Ltd
  - d) Diva Models (S) Pte Ltd
  - e) Electra Management
  - f) Impact Models Studio
  - g) Linsan Models
  - h) Looque Models Singapore Pte Ltd
  - i) Mannequin Studio Pte Ltd
  - j) Phantom Management Pte Ltd
  - k) Quest Model Management
3. The modelling agencies engaged in anti-competitive conduct by agreeing to fix the rates of modelling services in Singapore. This agreement started from 2005, and continued until 17 July 2009 after CCS conducted inspections on the modelling agencies’ premises.
4. Investigations in this case commenced in 2009 after CCS received a complaint that the Association of Modelling Industry Professionals (“AMIP”) was fixing rates for modelling services offered by modelling agencies.
5. Investigations by CCS revealed that one of the main objectives of the AMIP was to collectively raise the rates for modelling services charged by the agencies. In early 2005, the AMIP was established, and the modelling agencies continued to meet, discuss and

agree upon the prices for modelling services, under the front of the AMIP, until CCS conducted inspections in July 2009.

6. On 18 May 2011, CCS issued a Proposed Infringement Decision to the 11 modelling agencies. Since then CCS has received written representations, and also heard oral representations, from the agencies.
7. In this case, CCS found that the agencies had fixed prices on a wide variety of modelling services, including editorials, advertorials, fashion shows and media loading usage. Customers who were impacted included publishers, photographers, show choreographers, show organizers and fashion labels.
8. In levying the financial penalties, CCS took into account the seriousness of the infringement and the circumstances under which the infringement was committed, aggravating and mitigating factors, as well as representations made by the agencies with regard to the calculation of penalties.
9. In particular, CCS carefully considered the representations made and revised the earlier proposed penalties downwards in this instance. The details are in the Infringement Decision.
10. The financial parties levied on the 11 modelling agencies are as follows:

Party	Financial Penalty (S\$)
Ave Management Pte Ltd	\$ 132,315
Bees Work Casting Pte Ltd	\$ 44,112
Catworkz International Pte Ltd	\$ 3,000
Diva Models (S) Pte Ltd	\$72,891
Electra Management	\$5,351
Impact Models Studio	\$10,508
Linsan Models	\$5,351
Looque Models Singapore Pte Ltd	\$31,241
Mannequin Studio Pte Ltd	N.A. <sup>1</sup>

<sup>1</sup> Under the Competition (Transitional Provisions for Section 34 Prohibition) Regulations, no penalty will be imposed on an infringing party for agreements that are terminated within 6 months after the Competition Act came into force. As Mannequin terminated its conduct by leaving the AMIP before 30 June 2006, it qualified for immunity from financial

Phantom Management Pte Ltd	\$ 53,827
Quest Model Management	\$ 3,000
<b>TOTAL</b>	<b>\$ 361,596</b>

11. Price-fixing among businesses is illegal and opens them up to investigations and possible financial penalties under the Competition Act. Businesses are, however, free to determine their own prices independently.
12. Trade or industry associations should not become the vehicle to facilitate price collusion or price-fixing.
13. Businesses that are involved in anti-competitive activities can seek financial immunity under CCS' Leniency Programme or consult CCS if they are unsure as to whether their conduct infringes the Competition Act.
14. Further information on the investigation, analysis of the case and the basis of calculation of the financial penalty imposed on the infringing parties are set out in the Infringement Decision and the document is on website [www.ccs.gov.sg](http://www.ccs.gov.sg).

- End -



## **About CCS**

The Competition Commission of Singapore ("Commission") is a statutory body 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**

Ms Cynthia Chin  
Senior Assistant Director  
Strategic Planning  
Competition Commission of Singapore  
Email: [cynthia\\_chin@ccs.gov.sg](mailto:cynthia_chin@ccs.gov.sg)  
DID: 6325 8216