



## **MEDIA RELEASE**

**4 June 2010**

### **CCS FINES SISTIC.COM PTE LTD FOR ABUSING ITS DOMINANT POSITION TO FORECLOSE COMPETITION IN THE TICKETING SERVICES MARKET**

1. The Competition Commission of Singapore (“CCS”) has today issued an Infringement Decision (“ID”) against SISTIC.com Pte Ltd (“SISTIC”) for abusing its dominant position. Specifically, CCS decided that SISTIC has contravened section 47 of the Competition Act (“the Act”), via a series of exclusive agreements (collectively referred to as the “Exclusive Agreements”). These agreements are:
  - The Application Service and Ticketing Agreement (“ASTA”) between SISTIC and The Esplanade Co. Ltd (“TECL”) which contains explicit restrictions requiring that all events held at the Esplanade venues use SISTIC as the sole ticketing service provider;
  - The Agreement for Ticketing Services (“ATS”) between SISTIC and Singapore Sports Council (“SSC”) which contains explicit restrictions requiring that all events held at the Singapore Indoor Stadium (“SIS”) use SISTIC as the sole ticketing service provider; and
  - 17 other agreements that contain explicit restrictions requiring the event promoters concerned to use SISTIC as the sole ticketing service provider for all their events.
2. Ticketing service providers such as SISTIC act as middlemen between two groups of customers – the event promoters and the ticket buyers – by providing them a platform to buy and sell tickets.
3. When key venues such as the Esplanade and SIS are required to use SISTIC exclusively, event promoters who wish to hold their events at these

venues have no choice but to sell tickets through SISTIC. This, together with the 17 other event promoters who are also required to use SISTIC exclusively, leave ticket buyers with no choice but to buy tickets through SISTIC as well.

4. CCS finds that SISTIC is the dominant ticketing service provider in Singapore with a persistent market share of [85-95]%, and that the restrictions under the Exclusive Agreements are harmful to competition by restricting the choices of venue operators, event promoters and ticket buyers. Symptoms of such harmful effects have been observed in the market, such as an increase in SISTIC's booking fee for ticket buyers in 2008.
5. CCS highlights that the Competition Act does not prohibit dominant companies from winning competition on merit. Instead, it prohibits abusive practices on the part of dominant companies that prevent or restrict competitors from competing. In this case, CCS cannot accept the restrictions under the Exclusive Agreements as merit-based practices, as they are unnecessary and anti-competitive.
6. CCS has directed SISTIC to modify the Exclusive Agreements with immediate effect, to remove any clause(s) that require SISTIC's contractual partners to use SISTIC exclusively.
7. In addition, SISTIC has been levied with a financial penalty of \$989,000 for infringing section 47 of the Act.
8. In fixing the appropriate amount of financial penalty, CCS took into account the seriousness and duration of the infringement, the turnover of the infringing party, aggravating and mitigating factors amongst other considerations.
9. Mr Teo Eng Cheong, Chief Executive of CCS, said:

“This decision marks the first time that CCS has issued an infringement decision against a company under section 47 of the Act, for abusing a dominant position. CCS has made a careful and considered decision, based on information obtained from many parties, and in-depth economic analysis. We believe that this enforcement action will allow for more competition in the ticketing services industry in Singapore, leading to more choices and lower prices for consumers.”

10. Further information on CCS's investigation, analysis of the case and the basis for the calculation of the financial penalty imposed on SISTIC is set out in the Infringement Decision (ID), which will be available on the CCS website at: [www.casebank.ccs.gov.sg](http://www.casebank.ccs.gov.sg) .

### **About CCS**

CCS is a statutory body established under the Competition Act on 1 January 2005 to administer and enforce the Act. 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, visit [www.ccs.gov.sg](http://www.ccs.gov.sg).

### **For media clarification, please contact:**

Ms Chin Yen Yen  
Deputy Director, Corporate Communications  
Competition Commission of Singapore  
Email: [chin\\_yen\\_yen@ccs.gov.sg](mailto:chin_yen_yen@ccs.gov.sg)  
DID: 6325 8216