

FOR PUBLICATION
ON 10 JANUARY 2013

MEDIA RELEASE

10 January 2013

COCA-COLA SINGAPORE BEVERAGES CHANGES BUSINESS PRACTICES IN LOCAL SOFT DRINKS MARKET FOLLOWING ENQUIRY BY CCS

1. In March 2012, the Competition Commission of Singapore (CCS) commenced investigation in the local soft drinks market after receiving a complaint that Coca Cola Singapore Beverages (CCSB) had incorporated restrictive provisions in its supply agreements with on-premise retailers, such as exclusivity conditions and conditional rebates.
2. CCSB has since voluntarily amended its supply agreements to remove potentially anti-competitive provisions and given an undertaking to CCS as follows:
 - (i) Not to impose any exclusivity restrictions on its on-premise retailers for CCSB brands of non-alcoholic beverages, except in limited circumstances;
 - (ii) Not to require its on-premise retailers who wish to sell other brands of beverages to first negotiate with CCSB;
 - (iii) Not to grant loyalty-inducing rebates that have an effect of inducing on-premise retailers to purchase exclusively or almost exclusively from CCSB; and
 - (iv) To allow its on-premise retailers to use up to 20% of the space in coolers provided by CCSB to store other brands of beverages, where these retailers have no access to alternative cooling equipment on their premises.
3. Having reviewed the facts and circumstances of the case, CCS has ceased its investigation into CCSB but will continue to closely monitor market practices in the local soft drinks market.
4. In general, agreements which serve to prevent, restrict or distort competition are discouraged and may be illegal under the Competition Act. CCS encourages all businesses to proactively review their competition compliance practices to ensure their business conduct fully comply with the Competition Act. More information on the Competition Act as well as how to file a complaint can be found on the CCS website (www.ccs.gov.sg).

For media clarifications, please contact:

Ms Lim Le-Anne

Senior Assistant Director, Communications

Competition Commission of Singapore

Email: lim_le-anne@ccs.gov.sg

DID: 6325 8304 / HP: 94788824

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.