

MEDIA RELEASE

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CORDLIFE REMOVES EXCLUSIVE ARRANGEMENTS WITH BABY FAIR ORGANISERS AND HOSPITALS FOLLOWING INVESTIGATION BY CCS

1. In June 2014, the Competition Commission of Singapore (“CCS”) commenced an investigation on Cordlife Group Limited (“Cordlife”) in relation to its exclusive agreements with baby fair organisers and hospitals that potentially have the effect of limiting competition from other providers of cord blood bank services in Singapore. If these exclusive agreements were found to restrict competition in the cord blood bank industry, Cordlife would have infringed section 47 of the Competition Act (the prohibition against an abuse of a dominant position).
2. Cordlife has since provided CCS with voluntary commitments to remove the existing exclusive arrangements that were the subject of the investigation, and to ensure that it does not have such exclusive arrangements with any baby fair or private maternity hospital in Singapore going forward. Cordlife will also be required to provide CCS with confirmation that the affected baby fair organisers and hospital have been informed of the change in Cordlife’s business practices.
3. Having reviewed the facts and circumstances of the case and on the basis of the commitments, CCS has ceased this investigation on Cordlife’s exclusive arrangements with baby fair organisers and hospitals. CCS will, however, continue to closely monitor market practices in the cord blood bank industry. CCS reserves the right to reopen investigation should Cordlife breach any of its commitments.
4. Businesses that are unsure as to whether they fully comply with the Competition Act should seek independent legal advice or consider applying for guidance or a decision from CCS. In general, exclusive agreements by a dominant firm that harm competition may be illegal under the Competition Act. CCS encourages all businesses to proactively put in place competition compliance programmes to ensure their business conduct fully complies with the Competition Act. More information on the Competition Act, as well as on how to file a complaint or notification for guidance or decision, can be found on the CCS website (www.ccs.gov.sg).



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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.

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