

MEDIA RELEASE

17 December 2014

CCS CONSULTS ON PROPOSED JOINT VENTURE BETWEEN THE BOEING COMPANY AND SIA ENGINEERING COMPANY LIMITED

1. The Competition Commission of Singapore (“CCS”) is seeking feedback on the proposed joint venture between The Boeing Company (“Boeing”) and SIA Engineering Company Limited (“SIAEC”).
2. CCS received a notification for decision on 28 November 2014 from the Parties in relation to a proposed joint venture which will be incorporated in Singapore. Boeing Singapore, a wholly owned subsidiary of Boeing, and SIAEC, a subsidiary of SIA, intend to set up a joint venture company to offer maintenance, repair, overhaul (“MRO”) services together with related engineering, logistics and supply chain and inventory management services with respect to specific aircraft manufactured by Boeing, to both SIA group customers and other third party customers primarily based in the South Asia Pacific region (the “Proposed Transaction”).
3. Boeing is the leading manufacturer of commercial jetliners and military aircraft. Boeing is also active in the business of designing and manufacturing rotorcraft, electronic and defence systems, missiles, satellites, launch vehicles and advanced information and communication systems. Boeing also provides numerous military and commercial airline support services to its various customers in 150 countries.
4. SIAEC provides MRO services for aircraft, engine and related components to its customers. Specifically, the service offerings of SIAEC include aircraft maintenance and overhaul, line maintenance and technical handling, component maintenance and overhaul, fleet management programme, engine overhaul, passenger-to-freighter conversion, cabin modifications, training academy; and aircraft painting.
5. The notification is made under section 57 of the Competition Act (Cap. 50B), in relation to section 54 of the Competition Act, which prohibits mergers that have resulted, or may be expected to result, in a substantial lessening of competition within any market in Singapore.
6. The Parties submit that they overlap in the supply of the following services:
 - a. Line maintenance;
 - b. Heavy maintenance; and
 - c. Component maintenance.

7. The Parties submit that the Proposed Transaction, when carried into effect, will not result in a substantial lessening of competition in any market in Singapore because of, *inter alia*, a number of competitors that currently exist, the ability of customers to easily switch between suppliers and ease and likelihood of entry by potential competitors.

Public Feedback

8. CCS is inviting all feedback and views in relation to the Proposed Transaction.
9. The consultation documents can be accessed and downloaded from the CCS website at www.ccs.gov.sg under the section "[Public Register and Consultation](#)". The closing date for submissions is on or before **31 December 2014**. If the submission/correspondence contains confidential information, please also provide CCS with a non-confidential version of the submission or correspondence.

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.

For media clarifications, please contact:

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