

MEDIA RELEASE

1 April 2014

CCS ISSUES PROPOSED INFRINGEMENT DECISION AGAINST 11 AIR FREIGHT FORWARDERS

1. The Competition Commission of Singapore (“CCS”) has issued a Proposed Infringement Decision (“PID”) against 11 freight forwarding companies and their Singapore subsidiaries / affiliates (“the Parties”). CCS provisionally finds that the Parties have infringed section 34 of the Competition Act (Cap. 50B) (the “Act”) by collectively fixing certain fees and surcharges, and exchanging price and customer information in relation to the provision of air freight forwarding services for shipments from Japan to Singapore (“the Conduct”). Please refer to the attached Appendix for a list of the Parties.
2. CCS commenced investigations after receiving an application for immunity under CCS’s Leniency Programme¹ from one of the Parties involved in the alleged cartel. In CCS’s provisional view, information received during the course of the investigation evidences that the Parties were competitors and attended meetings in Japan where they exchanged information, discussed and agreed on certain fees and surcharges in relation to air freight forwarding services for shipments from Japan to other countries, including Singapore. The PID is limited to anti-competitive agreements and/or concerted practices involving the Japan to Singapore route.
3. The PID is a written notice setting out the facts on which CCS makes its assessment of the Conduct and its reasons for arriving at the proposed

¹ CCS’s leniency programme incentivises undertakings involved in cartels to provide CCS with evidence of their cartel activities. The benefits for successful applicants would be immunity from financial penalties or a reduction in the amount of the financial penalty, see <http://www.ccs.gov.sg/content/ccs/en/Reporting-to-CCS/Applying-for-Leniency.html>

decision. It is issued to give the parties concerned an opportunity to respond to the PID and provide any other information to CCS by way of representations. CCS will consider all representations made before deciding whether to issue an infringement decision.

4. In this regard, all the Parties have 35 working days from the receipt of the PID to make their representations. All the information and evidence put forward by the Parties will be taken into consideration by the CCS should it issue a final decision in relation to the Conduct.

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 clarification, please contact

Ms Grace Suen

Assistant Director

Strategic Planning Division

Competition Commission of Singapore

Email: grace_suen@ccs.gov.sg

DID: 6325 8216/ 9835 8601

Appendix- List of Parties Involved:

1. Deutsche Post A.G.; DHL Global Forwarding Japan K.K.; DHL Global Forwarding Management (Asia Pacific) Pte. Ltd. and its subsidiary, DHL Global Forwarding (Singapore) Pte. Ltd.
2. Hankyu Hanshin Express Co., Ltd. and its subsidiary, Hankyu Hanshin Express (Singapore) Pte. Ltd.
3. “K” Line Logistics, Ltd. and its subsidiary, “K” Line Logistics (Singapore) Pte. Ltd.
4. Kintetsu World Express, Inc. and its subsidiary, KWE-Kintetsu World Express (S) Pte. Ltd.
5. MOL Logistics (Japan) Co., Ltd. and its subsidiary, MOL Logistics (Singapore) Pte. Ltd.
6. Nippon Express Co., Ltd. and its subsidiary, Nippon Express (Singapore) Pte. Ltd.
7. Nishi-Nippon Railroad Co., Ltd. and its subsidiary, NNR Global Logistics (S) Pte. Ltd.
8. Nissin Corporation and its subsidiary, Nissin Transport (S) Pte. Ltd.
9. Vantec Corporation and its former subsidiary, Vantec World Transport (S) Pte. Ltd.
10. Yamato Holdings Co., Ltd. and its subsidiaries, Yamato Global Logistics Japan Co., Ltd. and Yamato Asia Pte. Ltd.
11. Yusen Logistics Co., Ltd. and its subsidiary, Yusen Logistics (Singapore) Pte. Ltd.