



Section 68 of the Competition Act (Cap. 50B)

Notice of Infringement Decision issued by CCS

Bid Rigging by Motor Vehicle Traders at Public Auctions of Motor Vehicles

28 March 2013

Case number: CCS 500/003/10

Redacted confidential information in this Notice is denoted by square parenthesis [✂].

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CHAPTER 1: THE FACTS

A. The Parties

1. Following information received from other government agencies, on 31 May 2010, the Competition Commission of Singapore (“CCS”) commenced investigations into an anti-competitive arrangement in respect of the submission of bids in the public auctions of motor vehicles by the Land Transport Authority (“LTA”), the National Environment Agency (“NEA”), the Singapore Civil Defence Force (“SCDF”), Singapore Customs (“Customs”) and the Singapore Police Force (“SPF”). CCS’ investigations indicated that the following undertakings (each a “Party”, collectively, the “Parties”) have breached the prohibition under section 34 (“the section 34 prohibition”) of the Competition Act (Cap. 50B) (“the Act”), by engaging in an agreement to bid-rig at public auctions of motor vehicles conducted by various government agencies:

- (i) Pang’s Motor Trading;
- (ii) Auto & Carriage Engineering;
- (iii) Gold Sun Motor Vehicle Charter & Rental;
- (iv) Hup Lee Second Hand Auto Parts;
- (v) Kiat Lee Scrap Vehicles Centre Pte Ltd;
- (vi) Kiat Lee Machinery Pte Ltd;
- (vii) Minsheng Agencies;
- (viii) PKS Scrap Vehicle Centre;
- (ix) Seng Guan Auto Parts;
- (x) Seng Hup Huat Second Hand Auto Parts;
- (xi) Tim Bock Enterprise; and
- (xii) Yong Soon Heng Auto Parts.

(i) Pang’s Motor Trading (“Pang’s Motor”)

2. Pang’s Motor is a sole proprietorship registered in Singapore, dealing in the retail sale of motor vehicles since 2006. Pang’s Motor’s registered address is 31 West Coast Highway, #01-33, Singapore 117864. Pang’s Motor’s turnover for the financial year ending 31 December 2011 was S\$[⊗]. Pang Yok Suang (“Steve Pang”), the sole proprietor of Pang’s Motor, is referred to in the Infringement Decision (“ID”).

(ii) Auto & Carriage Engineering (“Auto & Carriage”)

3. Auto & Carriage is a sole proprietorship registered in Singapore, providing rental and leasing of private vehicles since 1983. Auto & Carriage’s registered address is 279 Balestier Road #01-10 Balestier Point, Singapore 329727. Auto & Carriage’s turnover for the financial year ending 31 December 2011 was S\$[REDACTED].¹ Auto & Carriage did not make any representations after the issuance of the Proposed Infringement Decision (“PID”). Lim Then Hok, a previous sole proprietor² of Auto & Carriage, is referred to in the ID.

(iii) Gold Sun Motor Vehicle Charter & Rental (“Gold Sun”)

4. Gold Sun is a sole proprietorship registered in Singapore, dealing in the manufacture of parts and accessories for motor vehicles since 1996. Gold Sun’s registered address is 279 Balestier Road #01-10 Balestier Point, Singapore 329727. Gold Sun’s turnover for the financial year ending 31 December 2011 was S\$[REDACTED].³ Gold Sun did not make any representations after the issuance of the PID. Lim Then Hok, a previous sole proprietor⁴ of Gold Sun, is referred to in the ID.

(iv) Hup Lee Second Hand Auto Parts (“Hup Lee”)

5. Hup Lee is a partnership registered in Singapore, dealing in the wholesale of motor vehicles’ parts and accessories since 1989. Hup Lee’s registered address is 162 Woodlands Industrial Park E5, Singapore 757868. Hup Lee’s turnover for the financial year ending 31 December 2011 was S\$[REDACTED]. Toh Kim Zee, one of the partners of Hup Lee, is referred to in the ID.

¹ Auto & Carriage failed to respond to CCS’ section 63 Notice dated 6 March 2012 requesting for financial information. CCS exercised its power under section 64 of the Act to enter Auto & Carriage’s premises without warrant and without notice on 17 December 2012 and obtained the financial information thereafter.

² According to Accounting and Corporate Regulatory Authority (“ACRA”) records dated 16 August 2011, Lim Then Hok was the sole proprietor of Auto & Carriage from 26 December 1989 – 26 February 2001, and then again from 13 September 2005 – 10 March 2008.

³ Gold Sun failed to respond to CCS’ section 63 Notice dated 6 March 2012 requesting for financial information. CCS exercised its power under section 64 of the Act to enter Gold Sun’s premises without warrant and without notice on 17 December 2012 and obtained the financial information thereafter.

⁴ According to ACRA records dated 12 July 2011, Lim Then Hok was the sole proprietor of Gold Sun from 26 October 1996 – 30 December 1998, and then again from 13 September 2005 – 1 March 2007.

(v) Kiat Lee Scrap Vehicles Centre Pte Ltd (“Kiat Lee Scrap Vehicles”)

6. Kiat Lee Scrap Vehicles, formerly known as Scrap Vehicles Centre Pte Ltd, is a limited exempt private company registered in Singapore, dealing in the export and import of motor vehicles and spare parts since 1999. Kiat Lee Scrap Vehicles’ registered address is 201 Kranji Road, Singapore 739480. Kiat Lee Scrap Vehicles’ turnover for the financial year ending 30 September 2011 was S\$[X]. Goh Beng Lee, Andy (“Andy Goh”), a director of Kiat Lee Scrap Vehicles, is referred to in the ID.

(vi) Kiat Lee Machinery Pte Ltd (“Kiat Lee Machinery”)

7. Kiat Lee Machinery is a limited exempt private company registered in Singapore, dealing in general wholesale trade and repair, additions and modifications to trucks, heavy equipments and machinery since 1984. Kiat Lee Machinery’s registered address is 201 Kranji Road, Singapore 739480. Kiat Lee Machinery’s turnover for the financial year ending 31 August 2011 was S\$[X]. Andy Goh, a manager of Kiat Lee Machinery, is referred to in the ID.

(vii) Minsheng Agencies (“Minsheng”)

8. Minsheng is a sole proprietorship registered in Singapore, dealing in the wholesale of motor vehicles’ parts and accessories, and retail sale of motor vehicles excluding motorcycles and scooters since 2008. Minsheng’s registered address is 279B Macpherson Road Sennett Estate, Singapore 348604. Minsheng’s turnover for the financial year ending 31 December 2011 was S\$[X]. Khoo Meng Sei (also sometimes known as “Victor Khoo”), the sole proprietor of Minsheng, is referred to in the ID.

(viii) PKS Scrap Vehicle Centre (“PKS”)

9. PKS is a partnership in Singapore, dealing in the wholesale of scrapped motor vehicles since 2010. PKS’ registered principal address is 281B Macpherson Road, Singapore 348606. PKS’ turnover for the financial year ending 31 December 2011 was S\$[X]. Chan Chiow Kwee, a partner of PKS, is referred to in the ID.

(ix) Seng Guan Auto Parts (“Seng Guan”)

10. Seng Guan is a sole proprietorship registered in Singapore, dealing in the wholesale of motor vehicles’ parts and accessories since 1986. Seng Guan’s registered address is 22 Woodlands Link, #04-46, Singapore 738734. Seng Guan’s estimated turnover for the financial year ending 31 December 2011 was S\$[⊗]. Ng Seng Guan, the sole proprietor of Seng Guan, is referred to in the ID.

(x) Seng Hup Huat Second Hand Auto Parts (“Seng Hup Huat”)

11. Seng Hup Huat is a partnership registered in Singapore, dealing in the retail sale of motor vehicle parts and accessories since 1994. Seng Hup Huat’s registered address is 174 Woodlands Industrial Park E7, Singapore 757873. Seng Hup Huat’s turnover for the financial year ending 31 December 2011 was S\$[⊗].⁵ Seng Hup Huat did not make any representations after the issuance of the PID. Kwek Yeong Meng, a partner of Seng Hup Huat, is referred to in the ID.

(xi) Tim Bock Enterprise (“Tim Bock”)

12. Tim Bock is a sole proprietorship registered in Singapore, dealing in retail sale of motor vehicles (except motorcycles) since 1982. Tim Bock’s registered address is 81 Tagore Lane, #01-13, Singapore 787502. Tim Bock’s turnover for the financial year ending 31 December 2011 was S\$[⊗]. Lim Cheng Hwa George (“George Lim”), a manager of Tim Bock, is referred to in the ID.

(xii) Yong Soon Heng Auto Parts (“Yong Soon Heng”)

13. Yong Soon Heng is a sole proprietorship registered in Singapore, dealing in the wholesale of parts and accessories for motor vehicles since 2001. Yong Soon Heng’s registered address was 9 Sungei Kadut Avenue, Singapore 729646. Yong Soon Heng submitted that the sole proprietorship stopped all activities on 15 October 2009.⁶ ACRA records show that the registration for Yong Soon Heng expired on 5 April 2011 and was not renewed. Yong Soon Heng’s

⁵ Seng Hup Huat failed to respond to CCS’ section 63 Notice dated 6 March 2012 requesting for financial information. CCS exercised its power under section 64 of the Act to enter Seng Hup Huat’s premises without warrant on 17 December 2012 and obtained the financial information thereafter.

⁶ See Yong Soon Heng’s Profit and Loss Account for the Year Ended 31 December 2009 submitted on 21 March 2012.

estimated turnover for the financial year ending 31 December 2009 was S\$[X]. Yeo Kheng San, the sole proprietor of Yong Soon Heng, is referred to in the ID.

B. Background of the Public Auctions

14. Several government agencies in Singapore, namely, LTA, NEA, SCDF, Customs and SPF conduct regular public auctions to dispose of decommissioned motor vehicles (such as ambulances or patrol vehicles) or motor vehicles and items such as dutiable liquor that they have taken into custody, for reasons such as road tax arrears or unpaid taxes. The auctions, which are held according to the requirements of the government agencies, are conducted by auction houses (e.g. Knight Frank Pte Ltd (“Knight Frank”), GoIndustry DoveBid Singapore Pte Ltd (“DoveBid”) and/or Quotz Pte Ltd (“Quotz”)), appointed by the respective government agencies. With the exception of Customs and NEA, both of which switched to an online mode of auction after May 2010, the rest of the auctions are held either at hotel ballrooms or on the agencies’ premises (“physical auctions”). Both physical and online auctions are open to the general public.
15. At the physical auctions, bidders make open and ascending bids for the vehicles, over and above a minimum bid price set by the government agency/auction house concerned. The auction for the vehicle ends when there are no more competing bids. As bidding is done through the raising of allocated number tags or hands to indicate interest to the auctioneers, bidders are able to see who is bidding for the vehicles as well as see who the eventual winner is.
16. The online auctions similarly employ an ascending bidding system, but the identities of the bidders are not known. Online bidders are privy to only the current standing bid price and are unable to see or know who had submitted the bid.
17. Before an auction is held, in order to drum up interest, the auction houses would post auction notices on their websites or take out advertisements in newspapers to inform the public of upcoming auctions. They would also send out notices, either by facsimile or email, to persons who had registered at past auctions. Potential and interested bidders are given an opportunity to inspect the vehicles a

few days before the auction, as the motor vehicles are sold "as they lie" with all defects and errors of description.⁷

18. Depending on their description, vehicles that are auctioned off during the public auctions may either be re-registered for use on the roads in Singapore or, be scrapped or exported. Vehicles that are auctioned under the "scrap/export" categories must be scrapped or exported within a certain timeframe, usually a month from the date of collection of the vehicle. In order to ensure that such motor vehicles are properly disposed off within the timeframe, winning bidders are required to submit a letter of undertaking and a security deposit (usually twice the amount of the winning bid) to LTA. LTA will return the security deposit only when it is satisfied that the motor vehicles have been properly disposed of, e.g. upon show of proof of export (e.g. bill of lading or export permit showing that the item has been shipped out) or of scrappage (e.g. letter of scrappage issued by authorized scrap yards). The above applies to all vehicles that are required to be exported or scrapped, regardless of which government agency conducts the public auctions.

C. Investigations and Proceedings

19. As part of the investigations, CCS conducted surveillance on the following six occasions: 23 June 2010 in relation to a LTA auction; 28 June 2010 in relation to a auction jointly conducted by Customs and NEA; 6 October 2010 in relation to a public auction jointly conducted by SCDF and SPF; 1 December 2010 in relation to a LTA auction; 26 January 2011 in relation to a SPF auction; and 3 March 2011 in relation to a LTA auction.
20. On 3 March 2011, subsequent to obtaining warrants from the District Court, CCS conducted an inspection without notice under section 65 of the Act at Kola Food Centre ("Kola") at 36 Sin Ming Drive, Singapore 575710. Kola is a food centre, which is open to the public, where the Parties had gathered on previous occasions to conduct their private auctions after the end of the public auctions held at the nearby LTA office. Following the section 65 inspection, on the same day, CCS conducted inspections without notice pursuant to section 65 of the Act by executing warrants at the premises of four of the Parties, namely: Kiat Lee Scrap Vehicles, Pang's Motor, Tim Bock and Yong Soon Heng.

⁷ As stated in the General Conditions of Sale of an auction notice by Knight Frank of LTA's public auction on 3 March 2011.

21. Interviews pursuant to section 63 Notices were conducted with the key personnel at each of the premises of the four Parties.
22. On 13 July 2011, CCS sent section 63 Notices to the following undertakings - Hup Lee, PKS, Seng Guan, Seng Hup Huat, Tim Bock, and individuals – namely, Ang Leong Lai, Khoo Kia Hong (“Nichol Khoo”), Khoo Meng Sei, Lim Then Hok, Soh Kok Meng, and to other third parties⁸.
23. Nichol Khoo, Khoo Meng Sei and Lim Then Hok failed to respond to the 13 July 2011 Notices which were issued under section 63 of the Act. CCS sent out a further Notice under section 63 of the Act on 17 August 2011 to these three persons, and a third Notice on 11 October 2011.
24. CCS also obtained records related to the auctions from the government agencies (LTA, NEA, SCDF, Customs and SPF) and the auction houses; these records include the names and particulars of registered bidders, winning bidders, winning bid amounts, security deposits made, refund of security deposits, exportation or de-registration of vehicles. In relation to the Customs online auctions, CCS also obtained from Quotz (the auction house) the detailed bidding records, including names of bidders, time, date and amount of each individual bid, the winning bid amounts and the respective winning bidders, in the various auctions.
25. Based on the statements given by Chan Chiow Kwee, George Lim, Ng Seng Guan and Toh Kim Zee, which indicated clearly they were involved in anti-competitive conduct, CCS conducted further interviews with these individuals. During the further interviews, they were shown photographs of 19 individuals⁹ who were found at Kola during the inspection conducted on 3 March 2011. These photographs shown to Chan Chiow Kwee, George Lim, Ng Seng Guan and Toh Kim Zee were numbered randomly and did not carry any names. In the interviews, Chan Chiow Kwee, George Lim, Ng Seng Guan and Toh Kim Zee were asked, amongst other things, whether they recognized any of the parties shown and if so, whether they were similarly involved in the agreement to forbear from bidding against each other in public government auctions. The identifications made by Chan Chiow Kwee, George Lim, Ng Seng Guan and Toh Kim Zee are set out in Chapter 2 Section H of the ID.

⁸ The third parties were [REDACTED].

⁹ The photos were of other individuals being investigated for the infringing conduct in this ID.

26. In summary, CCS carried out the following interviews with the following parties, under section 63 of the Act (save as otherwise stated):

Name	Company	Designation	Date(s) of interviews
Toh Kim Zee	Hup Lee	Partner	3 March 2011 21 July 2011
Andy Goh	Kiat Lee Scrap Vehicles Kiat Lee Machinery	Director Manager	3 March 2011
Khoo Meng Sei	Minsheng	Sole Proprietor	3 March 2011 18 October 2011
Steve Pang	Pang's Motor	Sole Proprietor	3 March 2011
Chan Chiow Kwee	PKS	Partner	3 March 2011 20 July 2011 30 September 2011 25 October 2012 ¹⁰
Ng Seng Guan	Seng Guan	Sole Proprietor	3 March 2011 22 July 2011 13 October 2011
Kwek Yeong Meng	Seng Hup Huat	Partner	3 March 2011 22 July 2011 17 December 2012
George Lim	Tim Bock	Manager	3 March 2011 20 July 2011 30 September 2011
Lim Tim Bock	Tim Bock	Sole Proprietor	3 March 2011 20 July 2011
Yeo Kheng San	Yong Soon Heng	Sole Proprietor	3 March 2011

¹⁰ Voluntary statement given in relation to representations submitted by PKS.

Name	Company	Designation	Date(s) of interviews
Ang Leong Lai	-	Brother-in-law of Steve Pang, sole proprietor of Pang's Motor	3 March 2011 21 July 2011
Soh Kok Meng	-	Former employee of Yong Soon Heng	3 March 2011 22 July 2011
Khoo Kia Hong	-	Son of Khoo Meng Sei, sole proprietor of Minsheng	3 March 2011
Lim Then Hok	Auto & Carriage and Gold Sun	Previous sole proprietor	3 March 2011

27. CCS sent further section 63 Notices to each Party on 6 March 2012, requesting documents and information relating to each Party's turnover for the financial year 2011. CCS received the responses between 9 March 2012 and 30 March 2012.
28. Auto & Carriage, Gold Sun and Seng Hup Huat did not respond to CCS' section 63 Notices requesting for information on their financial information. As such, CCS exercised its power to enter the premises of Auto & Carriage, Gold Sun and Seng Hup Huat without warrant and without notice pursuant to section 64 of the Act on 17 December 2012 and obtained further financial information.¹¹

¹¹ Subsequent to obtaining the financial information, CCS issued a Supplementary Proposed Infringement Decision to all Parties on 20 February 2013.

CHAPTER 2: LEGAL AND ECONOMIC ASSESSMENT

29. This section sets out the legal framework and economics upon which CCS proposes to consider the evidence. It also sets out the evidence relating to the agreement and/or concerted practice in respect of each undertaking and CCS' analysis of the same.

A. The Section 34 Prohibition and its Application to Undertakings

30. Section 34 of the Act prohibits any agreements between undertakings, decisions by associations of undertakings or concerted practices which have as their object or effect the prevention, restriction or distortion of competition within Singapore (the "section 34 prohibition"). Specifically, section 34(2)(a) of the Act states that "*... agreements, decisions or concerted practices may, in particular, have the object or effect of preventing, restricting or distorting competition within Singapore if they directly or indirectly fix purchase or selling prices or any other trading conditions*".
31. The section 34 prohibition applies to the Parties as they fall within the definition of "undertakings" in the Act. Section 2 of the Act defines "undertaking" to mean "*...any person, being an individual, a body corporate, an unincorporated body of persons or any other entity, capable of carrying on commercial or economic activities relating to goods or services.*"

B. Agreements and/or Concerted Practices

32. An agreement is formed when parties arrive at a consensus on the actions each party will, or will not, take. The section 34 prohibition applies to both legally enforceable and non-enforceable agreements, whether written or oral, and to so-called gentlemen's agreements. An agreement may be reached via a physical meeting of the parties or through an exchange of letters or telephone calls or any other means.¹²
33. The section 34 prohibition also applies to concerted practices. The key difference between a concerted practice and an agreement is that a concerted practice may exist where there is informal cooperation, without any formal agreement or decision. A concerted practice

¹² Paragraph 2.10 of the *CCS Guidelines on the Section 34 Prohibition*.

would be found to exist if parties, even if they did not enter into an agreement, knowingly substituted the risks of competition with practical co-operation between them.¹³

34. For the purposes of finding an infringement under section 34 of the Act, it has been established in EU law that it is not necessary to characterise the conduct in question as exclusively an agreement or a concerted practice.¹⁴ It would be sufficient that the conduct in question amounts to one or the other.¹⁵ In any event, the conduct may be one and the same, i.e. both a concerted practice and an agreement.¹⁶ This was the approach taken by CCS, in the *Pest Control case*¹⁷, *Express Bus Operators case*¹⁸ and the *Electrical Works case*¹⁹.

C. Party to an Agreement or a Concerted Practice – The Liability of an Undertaking

35. The fact that a party may have played only a limited part in setting up the agreement, or may not be fully committed to its implementation, or participated only under pressure from the other parties, does not mean that it is not party to the agreement.²⁰ The agreement would still be caught under the section 34 prohibition even if an undertaking did not have the intention to implement or adhere to the terms of the agreement.²¹ For the purposes of making a finding that an undertaking is a party to an agreement or a concerted practice, it is sufficient for CCS to show that the undertaking concerned participated in meetings at which the agreement was concluded, without manifestly opposing them²² or publicly distancing itself from what was discussed or agreed²³. In this respect, CCS notes that such

¹³ Paragraph 2.16 of the *CCS Guidelines on the Section 34 Prohibition*. See also paragraph 206 (iii) of *Apex Asphalt and Paving Co Limited v Office of Fair Trading* [2005] CAT 4.

¹⁴ *SA Hercules Chemicals v Commission*, Case T-7/89 [1991] ECR II-711, see paragraph 264.

¹⁵ *JJB Sports plc and Allsports Limited v Office of Fair Trading* [2004] CAT 17 at paragraph 654

¹⁶ *The Community v Interbrew NV and others (re the Belgian beer cartel)*, Case IV/37.614/F3 [2004] CMLR 2, see paragraph 223, see also *Commission v Anic*.

¹⁷ [2008] SGCCS 1, at [44] to [47].

¹⁸ [2009] SGCCS 2, at [55] to [58].

¹⁹ [2010] SGCCS 4, at [45] to [47].

²⁰ Paragraph 2.11 of the *CCS Guidelines on the Section 34 Prohibition*.

²¹ *Collusive Tendering (Bid-Rigging) for Termite Treatment/Control Services by certain Pest Control Operators in Singapore* [2008] SGCCS 1 at [120] – [128]

²² Joined Cases C-204/00 P, C-205/00 P, C-211/00 P, C-213/00 P, C-217/00 P at [81] to [86] and C-219/00 P *Aalborg Portland A/S and Others v Commission*.

²³ *P Sarrio v Commission*, C-291/98P [2000] ECR I-9991, at [50].

participation by an undertaking in a meeting with an anti-competitive purpose is tantamount to a tacit approval of that unlawful initiative.²⁴

36. Lastly, CCS notes that an agreement and/or concerted practice is prohibited under the Act regardless of whether firms are operating under adverse market conditions.²⁵

D. Object or Effect of Preventing, Restricting or Distorting Competition

37. Section 34(1) of the Act prohibits “...agreements between undertakings ... or concerted practices, which have as their object or effect the prevention, restriction or distortion of competition within Singapore”. In accordance with the plain reading of the section, “object” and “effect” are alternative and not cumulative requirements. Thus, for the purposes of applying section 34 of the Act, it is sufficient for CCS to show that the object of an agreement or concerted practice is to prevent, restrict or distort competition within Singapore, without having to prove the effects of that agreement or concerted practice.

38. CCS had found in the *Pest Control Case*, subsequently applied in the *Express Bus Operators Case*²⁶ and *Electrical Works Case*²⁷, that the object of an agreement or concerted practice is not based on the subjective intention of the parties when entering into an agreement, but on:

“.....the objective meaning and purpose of the agreement considered in the economic context in which it is to be applied. Where an agreement has as its object the restriction of competition, it is unnecessary to prove that the agreement would have an anti-competitive effect in order to find an infringement of section 34.”²⁸

39. The *CCS Guidelines on the Section 34 Prohibition* make it clear that a bid-rigging (collusive tendering) agreement is, by its very nature, restrictive of competition to an appreciable extent.²⁹ It is also

²⁴ CCS 500/001/11 *Fixing of monthly salaries of new Indonesian Foreign Domestic Workers in Singapore* at [52].

²⁵ Case T-14/89 *Montedipe v Commission* [1992] ECR II-1155.

²⁶ [2009] SGCCS 2, at [71].

²⁷ [2010] SGCCS 4, at [49].

²⁸ [2008] SGCCS 1, at [49].

²⁹ Paragraphs 3.2 and 3.8 of the *CCS Guidelines on the Section 34 Prohibition*

established EU case law that if it is shown that the object of an agreement or concerted practice is to restrict competition, there is no need for the Commission to show that it may have an anti-competitive effect or take account of the agreement's actual effects.³⁰

40. The infringing act in this ID concerns bid-rigging. In view of the preceding paragraphs, it is sufficient to prove the anti-competitive object of an agreement or concerted practice without having to prove anti-competitive effects for the purposes of applying the section 34 prohibition.

E. Bid-Rigging Arrangements in Public Auctions

41. Auctions, such as those in the present case, consist of a sale of property to the highest bidder. One purpose of auction sales is to obtain the best financial returns for the owner of the property to be auctioned and this is based on the purpose and policy of obtaining the worth of the property through free and fair competition among bidders.³¹ Competitive bidding is therefore an essential element of auction sales.³²
42. In Joined Cases CE/3123-03 and CE/3645-03 *Collusive tendering for flat roof and car park surfacing contracts in England and Scotland* (22 February 2006), the UK OFT set out that there are generally four types of agreements that can result in a pre-selected supplier winning the contract, namely, cover bidding, bid-suppression, bid-rotation and market division or sharing.³³ CCS is of the view that there are variations to these four types of agreements that can result in a pre-selected bidder winning the bid.
43. As is the case with tenders submitted by colluding tenderers³⁴ where similar principles apply, an arrangement or agreement where bids are submitted as a result of collusion or co-operation between competing buyers is, by its very nature, regarded as restricting competition appreciably.

³⁰ Case 56/65 *Societe Technique Miniere* [1966] ECR 235, p249; Cases 56 and 58/64 *Consten and Grundig v Commission* [1966] ECR 299, p342; Case C-8/08 *T-Mobile Netherlands BV v Raad van bestuur van de Nederlandse Mededingingsautoriteit* at [29].

³¹ 7A C.J.S. Auctions & Auctioneers § 2, p. 853, as cited by the Court in *Pitchfork Ranch Co v Bar TL*, 615 P. 2d 541 at p 547.

³² 7 Am Jur 2d Auctions & Auctioneers § 1, p. 360, as cited by the Court in *Pitchfork Ranch Co v Bar TL*, 615 P. 2d 541 at p 547.

³³ Joined Cases CE/3123-03 and CE/3645-03 *Collusive tendering for flat roof and car park surfacing contracts in England and Scotland* (22 February 2006) at [68].

³⁴ Paragraph 3.8 of the *CCS Guidelines on the Section 34 Prohibition*.

44. CCS is therefore of the view that the most relevant description of the anti-competitive conduct, for the purposes of this ID, is that of bid-suppression, which takes place when undertakings agree amongst themselves either to abstain from bidding or to withdraw bids.³⁵
45. In *Australian Competition & Consumer Commission v D M Faulkner Pty Limited*³⁶, there was an arrangement or understanding known as the “ring” and “knock” that operated among scrap metal dealers in New South Wales, up to the end of 1999. In the process known as the “ring”, scrap metal merchants agreed amongst themselves, on the days preceding and/or early on the day of each public auction of scrap metal, to participate in the “ring” for the duration of the auction, and also agreed beforehand who would bid at the auction. Bids would be made by the nominated bidder and it was agreed that other members of the “ring” should not bid against the nominated bidder. The “knocks” occurred as follows: after the auction, “ring” members reconvened at another location to allocate amongst themselves the scrap metal purchased at the auction and to determine who (from amongst themselves) would pay for the goods purchased at the auction (known as the “bill”) and each “ring” member was given the opportunity to nominate a sum. The “ring” member who nominated the highest sum became entitled to the “bill” and became obliged to pay the sum of the “bill” to the auctioneer and to pay to every other member the highest sum which that member nominated at the “knock”.
46. Most of the merchants admitted that they had entered into an understanding and assumed the obligation not to bid against the bidder nominated by the “ring”, and after the auction, bid amongst themselves for the goods at the “knock”, and that these actions thereby restrained the freedom they otherwise would have had as individual bidders at the auction and controlled or limited the price raised at the auction for the goods by ensuring that the “ring” members were not bidding against each other. In doing so, they had contravened the then Trade Practices Act.³⁷ These merchants also admitted, amongst other things, that each arrangement or understanding in relation to the “ring” and “knock” had the purpose of preventing, restricting or limiting the acquisition of scrap metal

³⁵ Joined Cases CE/3123-03 and CE/3645-03 *Collusive tendering for flat roof and car park surfacing contracts in England and Scotland* (22 February 2006) at [68].

³⁶ [2004] FCA 1666.

³⁷ *Australian Competition & Consumer Commission v D M Faulkner Pty Limited* [2004] FCA 1666 at [45] and [46].

from persons in the scrap metal market by the “ring” members and that the “ring” members would otherwise have been or would be likely to have been in competition with each other in relation to the acquisition of scrap metal at the respective auctions.³⁸

47. The Court declared that the merchants made an arrangement or arrived at an understanding containing, amongst other things, an exclusionary provision in contravention of section 45(2)(a)(i)³⁹, when read with section 4D, of the Trade Practices Act 1974 (now the Competition and Consumer Act 2010).⁴⁰

48. “Exclusionary provisions”, for the purposes of section 45 of the Trade Practices Act 1974, are defined in section 4D as follows:

“(1) A provision of a contract, arrangement or understanding, or of a proposed contract, arrangement or understanding, shall be taken to be an exclusionary provision for the purposes of this Act if:

(a) The contract or arrangement was made, or the understanding was arrived at, or the proposed contract or arrangement is to be made, or the proposed understanding is to be arrived at, between persons any 2 or more of whom are competitive with each other; and

(b) The provision has the purpose of preventing, restricting or limiting:

(i) The supply of goods and services to, or the acquisition of goods or services from, particular persons or classes of persons; or

(ii) The supply of goods or services to, or the acquisition of goods or services

³⁸ *Australian Competition & Consumer Commission v D M Faulkner Pty Limited* [2004] FCA 1666 at [44].

³⁹ Section 45(2)(a)(i) of the Trade Practices Act provides as follows: A corporation shall not make a contract or arrangement, or arrive at an understanding, if the proposed contract, arrangement or understanding contains an exclusionary provision. The Trade Practices Act 1974 was renamed the Competition and Consumer Act 2010 on 1 January 2011.

⁴⁰ *Australian Competition & Consumer Commission v D M Faulkner Pty Limited* [2004] FCA 1666, Orders.

from, particular persons or classes of persons in particular circumstances or on particular conditions;

by all or any of the parties to the contract, arrangement or understanding or of the proposed parties to the proposed contract, arrangement or understanding or, if a party or proposed party is a body corporate, by a body corporate that is related to the body corporate.”⁴¹

49. The legal test laid out for “exclusionary provisions” is similar to that in the ‘object’ limb of the section 34 prohibition – both provisions require that the infringing conduct has the purpose of preventing or restricting competition. As the facts and *modus operandi* of the bid-rigging in *Faulkner* are similar to the facts in this ID, it follows that the conduct in the present case also has the purpose of preventing, restricting or limiting competition in public government auctions in Singapore.
50. There have been several antitrust cases in the United States involving similar bid suppression schemes. The courts in the United States have in these cases consistently laid out that bid-suppression arrangements would be regarded as *per se* violations of the Sherman Act.⁴² In other words, bid-suppression would always be regarded in the United States as behaviour that has a pernicious effect on competition and lacking of any redeeming virtue, and conclusively presumed to be unreasonable, and therefore illegal without elaborate inquiry as to the precise harm it has caused or the business excuse for its use. While such violations in the United States carry criminal sanctions which are not available under our Act, the legal principles involved are relevant and applicable to the case at hand.
51. In *United States v Ronald Pook*⁴³, the defendant was charged with conspiracy to violate section 1 of the Sherman Act by participating in

⁴¹ *Australian Competition & Consumer Commission v D M Faulkner Pty Limited* [2004] FCA 1666 at [15], Australian Trade Practices Act 1974, section 4D(1).

⁴² In *Northern Pacific Railway v US* 356 U.S. 1, 5, 2 L. Ed. 2d 545, 78 S. Ct. 514 (1958), it was held that “there are certain agreements or practices which because of their pernicious effect on competition and lack of any redeeming virtue are conclusively presumed to be unreasonable and therefore illegal without elaborate inquiry as to the precise harm they have caused or the business excuse for their use”. Application of this conclusive presumption of unreasonableness to certain anticompetitive behaviour has become known as the “*per se* doctrine”.

⁴³ 1988 U.S. Dist. LEXIS 3398.

“dealer pools” at antique auctions. When a “dealer pool” was in operation at a public auction of consigned antiques, those dealers who wished to participate in the “pool” would agree not to bid against the other members of the “pool”. If a “pool” member succeeded in purchasing an item at the public auction, “pool” members interested in that item could bid on it by secret ballot at a subsequent private auction (“knock out”). To participate in the “knock out”, the bids had to be at least 15% higher than the successful bid at the public auction. The “pool” member who bid the highest at the “knock out” claimed the item by paying each “pool” member who participated in the bidding a share of the difference between the public auction price and the successful private bid. The amount paid to each “pool” member (“pool split”) was calculated according to the amount the “pool” member bid in the “knock out”. The consignors and auctioneers received a percentage of the public auction price but did not receive any portion of the “knock out” price.

52. The Court found that the Sherman Act has been uniformly interpreted to make agreements that tamper with price structures illegal and that the Sherman Act applied to both buyers and sellers. Specifically the Court held that agreements among buyers to refrain from bidding at auctions are caught under the Sherman Act. The Court also found that:

“...Conspiracy to keep auction prices artificially low and non-competitive clearly deprives antique owners of their expectancy of the highest price in a competitive market.

There was no credible evidence of pro-competitive effects of auction pooling. Consignors and auctioneers were invariably deprived by members of the pool of their proper share of the ultimate sales prices of items purchased at public auctions and sold later for higher prices at private auctions. Agreeing not to bid is bid-rigging; keeping the prices lower than they would have been if competitive is price-fixing.”

53. In *United States of America v Romer*⁴⁴, the appellants were real estate speculators who, together with others, participated in a conspiracy to limit bidding competition at certain public foreclosure auctions. The purpose of the conspiracy was to hold down the price of auctioned properties by agreeing not to bid against one another at auctions.

⁴⁴ 148 F. 3d 359.

During an auction, most members of the conspiracy would refrain from bidding, while one designated member would bid on and receive the property at a much reduced price. Following the auction, members of the conspiracy would hold a private auction amongst themselves, at which point they would discuss the price they each would have bid for the property. The person with the highest bid would be given the deed, and the conspirators would divide amongst themselves the money saved by artificially holding down the price of the property.

54. The United States Court of Appeals found that all the evidence suggested that the purpose of the conspiracy was to obtain property at artificially depressed prices and to divide the savings among those competitors who refrained from bidding, and affirmed the convictions under the Sherman Act.
55. In *United States of America v Seville Industrial Machinery Corporation*⁴⁵, the violation of federal antitrust law was described as follows:

“...the defendants agreed before the public auction not to bid against one another, and implemented their plan at the auction. Then, immediately after the auction, the defendants held their own private auction of the equipment they had just purchased. Once all items were resold at the private auction, the defendants divide up and shared the difference between the higher prices paid at the private auction and the lower prices paid at the public bankruptcy auction...”

56. The defendants had attempted to distinguish their alleged behaviour from classic bid-rigging on the grounds that their alleged scheme involved no pre-auction fixing of prices and allowed for unfettered competition at the second, private, auction. United States District Judge H. Lee Sarokin stated that:

“...neither of these features, even if true, removes the alleged scheme from the domain of the per se violation. In the first place, courts have repeatedly held that a simple agreement not to bid is itself a per se antitrust violation, even in the absence of prior price fixing...More importantly, the alleged scheme of the defendants is

⁴⁵ 696 F. Supp. 986 (1988).

indistinguishable from schemes which courts have held per se violative of the Sherman Act.”

57. In finding that the defendants’ conduct was a *per se* violation, the United States District Judge H. Lee Sarokin referred to several other cases, including *United States v Addyston Pipe & Steel Co.*⁴⁶ (discussed below). In particular, he was of the view that the scheme in *Addyston Pipe* was:

“the mirror image of the alleged scheme of the defendants in this case; the only distinction [was] that the Addyston Pipe conspirators competed before the public bidding, while these defendants allegedly competed after the public bidding”,

and added that:

“[i]t is crucial to note that in Addyston Pipe, as in the case before the court, there was free competition among the members of the association; the Supreme Court did not view this private competition as salvaging the corrupt agreement. Similarly, this court cannot attach any legal significance to the defendants’ post-auction competition. That competition has no effect whatever on the illegality of the agreement not to compete at the public auction...

...the defendants in this case cannot escape criminal liability by the fortuity that other innocent bidders attended the public auction or that the alleged co-conspirators valued the purchased equipment sufficiently to trigger competitive bidding at their private auction. Their alleged crime was nothing more and nothing less than their agreement not to compete.”

58. In *Addyston Pipe and Steel Company v United States*⁴⁷, a group of iron pipe manufacturers formed an association and agreed that there should be no competition between them in any of the 36 states or territories mentioned in their agreement in regard to the manufacture of cast iron pipe. Prices were to be fixed for each contract by the association and, except in reserved cities, the bidder was determined by competitive bidding of the members (the one who agreed to give

⁴⁶ 175 U.S. 211.

⁴⁷ 175 U.S. 211.

the highest bonus for division among the others would get the contract). It was stated in a resolution embodying the plan as follows:

“...it is proposed that the six competitive shops have a representative board located at some central city to whom all inquiries for pipe shall be referred, and said board shall fix the price at which said pipe shall be sold, and bids taken from the respective shops for the privilege of handling the order, and the party securing the order shall have the protection of all the other shops.”

59. One of the arguments made by the defendants was that *“as but one contract would be awarded for the work proposed at any place, and therefore only one person would secure it by virtue of being the lowest bidder, the selection by defendants of one of their number to make the lowest bid as among themselves could not operate as any restraint of trade; that the combination or agreement operated only to make a selection of that one who should have the contract by being the lowest bidder, and it did not in the most remote degree itself limit the number or extent of contracts, and therefore could not operate to restrain interstate trade.”*

60. The Supreme Court did not accept this and instead found that:

“...This takes no heed of the purpose and effect of the combination to restrain the action of the parties to it so that there shall be no competition among them to obtain the contract for themselves.

*We have no doubt that where the direct and immediate effect of a contract or combination among particular dealers in a commodity is to destroy competition between them and others, so that the parties to the contract or combination amounts to a restraint of trade in the commodity, even though contracts to buy such commodity at the enhanced price are continually being made. **Total suppression of the trade in the commodity is not necessary in order to render the combination one in restraint of trade. It is the effect of the combination in limiting and restricting the right of each of the members to transact business in the ordinary way, as well as its effect upon the volume or extent of the dealing in the commodity, that is regarded...*** (Emphasis added)

The Supreme Court ultimately affirmed the Court of Appeals' findings that the six parties had violated the Sherman Act.

61. It is clear from the Australia and US cases above that bid suppression agreements have been consistently held to be anti-competitive “*per se*” or by “purpose”. Given that the nature and *modus operandi* of the conduct in this present case is similar or almost identical, CCS takes the view that the bid suppression arrangement entered into between the undertakings in this case has the *object* of preventing, restricting and/or distorting competition in Singapore, and accordingly, it is not necessary for CCS to demonstrate any consequential anti-competitive effects.

F. Burden and Standard of Proof

62. CCS has the burden of proving the infringements in question. Infringements of the prohibition under section 34 of the Act are not criminal offences. Hence, the standard of proof to be applied in deciding whether an infringement of the section 34 prohibition has been established is the civil standard, commonly known as the balance of probabilities. As stated in the *Express Bus Operators Case*⁴⁸, for which liability was upheld on appeal⁴⁹, the civil standard of proof to be applied follows from the structure of the Act, for instance that decisions by CCS follow a purely administrative procedure and directions and penalties are enforceable by way of civil proceedings.⁵⁰ This has also been the approach in the United Kingdom, where the Competition Appeal Tribunal found in *JJB Sports Plc v OFT*:

“192 ...Decisions by the OFT under the [Competition] Act are taken following a purely administrative procedure. There is no indication that Parliament intended the proceedings to be classified as criminal...”

193. We also remind ourselves that many of the issues with which the Tribunal has to deal with involve the appreciation or evaluation of economic questions, for example, whether an agreement “distorts”

⁴⁸ [2009] SGCCS 2.

⁴⁹ [2011] SGCAB 1.

⁵⁰ [2009] SGCCS 2 at [79].

competition...In so far as the concept of “proof” is relevant at all, we see no sensible way of resolving such issues by the application of the criminal standard as conventionally understood.

...

196. ...In our judgment the applicable standard of proof in a case such as the present is the civil standard of proof – i.e. the infringement must be established on a preponderance of probabilities. The Tribunal must be satisfied that it is more probable than not.”⁵¹

63. CCS is mindful that an allegation of an infringement of the section 34 prohibition is a serious matter which may involve the issuance of directions and imposition of financial penalties. The quality and weight of the evidence should therefore be sufficiently strong before CCS concludes that the allegation is established on a balance of probabilities. Whilst sufficiently strong evidence is required to establish an infringement, this does not change the civil standard into the standard of “beyond reasonable doubt” used for criminal offences. In this regard, CCS considers the following statement by the Competition Appeal Tribunal in *JJB Sports Plc v OFT* to be of assistance:

*“...in our view it would not, in this Tribunal, be appropriate to “leap across” the distinction between a criminal prosecution and the wholly different and essentially administrative system established under the [Competition] Act to prevent restrictions on competition. The authorities cited above in relation to football banning orders, anti-social behaviour orders and sex offender orders refer to matters that come before the criminal courts and affect the freedom of the individual. In our respectful view, the authorities concern different legislation and do not warrant the introduction of the law and psychology of the criminal process into proceedings before the Tribunal. Nor do we think that that was the intention”.*⁵²

⁵¹ *JJB Sports Plc v OFT* [2004] CAT 17 at [192] to [196].

⁵² *JJB Sports Plc v OFT* [2004] CAT 17 at [203].

64. The evidence which would be regarded as “sufficiently convincing” to prove an infringement will depend on the circumstances and the facts in the case, but it may constitute a single item of evidence or wholly circumstantial evidence. In this regard, CCS notes that in *JJB Sports plc and Allsports Limited v OFT*⁵³, the CAT was of the view that given the hidden and secret nature of cartels where little or nothing may be committed in writing, even a single item of evidence, or wholly circumstantial evidence, depending on the particular context and the particular circumstances may be sufficient to meet the required standard.
65. The courts in the EU have also recognised the difficulties in obtaining evidence where anti-competitive conduct takes place secretly. In *JFE Engineering v Commission* [2004] ECR II 2501, the Court of First Instance observed that:

“179 *As the Japanese applicants correctly observe, the Commission must produce sufficiently precise and consistent evidence to support the firm conviction that the alleged infringement took place...*

180 *However, it is important to emphasise that it is not necessary for every item of evidence produced by the Commission to satisfy those criteria in relation to every aspect of the infringement. It is sufficient if the body of evidence relied on by the institution, viewed as a whole, meets that requirement...*”⁵⁴ (Emphasis added)

The European Court of Justice (“ECJ”), upon an appeal of the Court of First Instance (“CFI”) (now European General Court), examined the paragraphs setting out the principles governing the burden of proof and the taking of evidence which the CFI applied, including the above paragraphs cited, and held that the reasoning by the Court of First Instance was in accordance with the law.⁵⁵

66. In *Aalborg Portland AS v Commission*, the ECJ stated:

⁵³ [2004] CAT 17 at paragraph 206.

⁵⁴ Joined Cases T-67/00, T-68/00, T-71/00 and T-78/00, *JFE Engineering v Commission* [2004] ECR II 2501 at [179] to [180].

⁵⁵ Joined Cases C-403/04P and C-405/04P *Sumitomo Metal Industries Ltd and others v Commission* at [41] to [45].

“55 *Since the prohibition on participating in anti-competitive agreements and the penalties which offenders may incur are well known, it is normal for the activities which those practices and those agreements entail to take place in a clandestine fashion, for meetings to be held in secret, most frequently in a non-member country, and for the associated documentation to be reduced to a minimum.*

56 *Even if the Commission discovers evidence explicitly showing unlawful conduct between traders, such as the minutes of a meeting, it will normally be only fragmentary and sparse, so that it is often necessary to reconstitute certain details by deduction.*

57 *In most cases, the existence of an anti-competitive practice or agreement must be inferred from a number of coincidences and indicia which, taken together, may in the absence of another plausible explanation, constitute evidence of an infringement of the competition rules.”⁵⁶ (Emphasis added)*

67. In the present case, one of the pieces of evidence that CCS is relying on is identification evidence. CCS is mindful of the need for caution before establishing liability that partly relies on the correctness of the identifications. In this context, CCS notes that the approach to be adopted for identification evidence in criminal cases can be found in the Singapore Court of Appeal decision of *Thomas Heng Aik Ren v PP* [1998] 3 SLR 465 and was summarised by the Chief Justice in *PP v L (A Minor)* [1999] 3 SLR 219:

“The trial judge applied the test laid down in the Court of Appeal case of Thomas Heng Aik Ren v PP in relation to the identification evidence in this case. The Court of Appeal had adapted the guidelines laid down in the English case of R v Turnbull [1977] QB 224, into a 3-step test as follows:

⁵⁶ Joined Cases C-204/00 P, C-205/00 P, C-211/00 P, C-213/00 P, C-217/00 P *Aalborg Portland AS v Commission* at [55] to [57].

- (i) *the first question that a judge should ask when encountering a criminal case concerning identification evidence, is whether the case against the accused depends wholly or substantially on the correctness of the identification evidence that is alleged by the defence as being mistaken.*
- (ii) *If so, the second question should be this. Is the identification evidence of good quality, taking into account the circumstances in which the identification by the witness was made?*
- (iii) *Where the quality of the identification evidence is poor, the judge should go on to the third question. Is there any other evidence that goes to support the correctness of the identification?*

In asking the question at the second stage, the Court of Appeal suggested a non-exhaustive list of factors and circumstances that could be considered in assessing whether the identification evidence was of good quality. These included:

- *The length of time that the witness observed the accused;*
- *The distance at which the observation was made;*
- *The presence of obstructions in the way of the observation;*
- *The number of times the witness saw the accused;*
- *The frequency with which the witness saw the accused;*
- *The presence of any special reasons for the witness to remember the accused;*
- *The length of time which elapsed between the original observation and the subsequent identification to the police; and*

- *The presence of material discrepancies between the description of the accused as given by the witness and the actual appearance of the accused”*

68. CCS notes that the test laid down in the Court of Appeal is applicable to criminal cases, in which the standard of proof is much higher than that of the civil standard of proof which applies to an infringement against a section 34 prohibition under the Act. Be that as it may, CCS draws guidance from the second stage of the test, which is concerned with quality of the identification evidence. To this end, CCS has assessed the quality of the respective identification evidence and sets out its assessment below. As earlier noted, the identification evidence is but one aspect of the evidence relied on to establish liability against the infringing undertakings, and thus the whole body of evidence relied on has to be viewed in totality.
69. In the present case, the evidence that CCS proposes to rely on to make out the liability of each Party is set out in Chapter 2, Section H of the ID.

G. The Relevant Market

70. Market definition typically serves two purposes in the context of the section 34 prohibition. First, it provides, if necessary, the framework for assessing whether an agreement and/or concerted practice has an appreciable effect on competition. Second, it provides the basis for determining the relevant turnover for the purpose of calculating penalties.
71. Agreements and/or concerted practices that involve bid-rigging are, by their very nature, regarded as restrictive of competition to an appreciable extent.⁵⁷ Accordingly, a distinct market definition is not necessary to establish liability. However, a market definition is set out for the purpose of assessing the appropriate level of penalties.⁵⁸
72. In this case, CCS identifies the focal product to be motor vehicles (including but not limited to cars, vans, fire trucks, motorcycles and scooters) acquired by way of public auctions by government agencies. As the main purpose of market definition in this case is for calculating penalties, CCS is of the view that there is no need to

⁵⁷ See paragraph 3.2 of *CCS Guidelines on the Section 34 Prohibition*.

⁵⁸ See paragraph 2.1 of the *CCS Guidelines on the Appropriate Amount of Penalty*, [2008] SGCCS 1 at [68] and [2010] SGCCS 4 at [67].

consider any substitute to the focal product or lack thereof, as any such substitute would not contribute to the relevant turnovers of the parties.

73. It should be noted that, in this case, there is a *conduct* market – where the public auctions take place and where the bid suppressions occur – and an *affected* market – where the parties subsequently sell the vehicles obtained via the bid suppressions. CCS is of the view that the relevant market is the latter for two reasons. First, the parties incur their costs in the conduct market and earn their revenues in the affected market. For the purpose of calculating relevant turnover, it is the affected market where such turnover is generated. Second, the revenues earned from the affected market reflect more accurately the underlying economic value of the vehicles than the proceeds from the public auctions in the conduct market do, because the bids were suppressed by the parties.

H. Facts, Evidence and Analysis of the Evidence relating to the Agreement and/or Concerted Practice⁵⁹

74. The evidence reveals that there is an agreement or concerted practice among the Parties since at least 2008, to forebear from bidding against each other for vehicles at the public auctions conducted by various governmental agencies such as LTA, NEA, Customs, SCDF and SPF. The agreement also applied to auctions held by Customs when they shifted to online auctions, notwithstanding the fact that only four, namely: Pang’s Motor [Steve Pang], Kiat Lee [Andy Goh], Minsheng [Victor Khoo] and Tim Bock [George Lim] participated.⁶⁰
75. The information provided by most of the Parties interviewed, as well as surveillance reports and video footage of several public auctions and other documentary evidence, point to Steve Pang as the leader of the bid-rigging scheme.
76. In respect of the identification evidence by Chan Chiow Kwee, George Lim, Ng Seng Guan and Toh Kim Zee, CCS is satisfied that the evidence is of good quality for the following reasons:

⁵⁹ As earlier noted in Chapter 2, Section B, there is no necessity to characterise the infringing conduct as exclusively an ‘agreement’ or a ‘concerted practice’. Therefore, for the purposes of setting forth the evidence and finding infringement, this ID will use “agreement” and “concerted practice” interchangeably.

⁶⁰ Refer to Paragraph 88.

- Chan Chiow Kwee⁶¹, George Lim⁶², Ng Seng Guan⁶³ and Toh Kim Zee⁶⁴ saw the people they identified to be involved in the agreement on a frequent basis, over an extended period of time of at least six months. Chan Chiow Kwee said that the group “will go to the coffee shop or the Kola Food Centre...”, “...every time after the LTA auction”⁶⁵ and he said that he had participated in the “private” auctions since July 2010⁶⁶. George Lim said that the group of people will meet “when there are auctions”.⁶⁷ Ng Seng Guan said that he would usually meet the group at LTA auctions.⁶⁸ CCS notes that auctions by the LTA are the most frequent, usually held quarterly;
- Observations of those identified were made at close range at either the public and/or “private” auctions; and,
- The parties identified were all operating within the second-hand or scrap motor vehicle trade, and would have known each other for a period of time. For example, Toh Kim Zee said he had known Steve Pang and most of the rest for a few years as they were in the same trade⁶⁹ and Steve Pang would sometimes ask him if he had cars or spare parts⁷⁰.

⁶¹ See Answer to Question 23 of Chan Chiow Kwee’s Notes of Information/Explanation Provided dated 20 July 2011.

⁶² See Answer to Question 21 of George Lim’s Notes of Information/Explanation Provided dated 3 March 2011, 6:30 pm.

⁶³ See Answer to Question 25 of Ng Seng Guan’s Notes of Information/Explanation Provided dated 22 July 2011.

⁶⁴ See Answer to Question 18 of Toh Kim Zee’s Notes of Information/Explanation Provided dated 21 July 2011.

⁶⁵ See Answer to Question 21 of Chan Chiow Kwee’s Notes of Information/Explanation Provided dated 20 July 2011.

⁶⁶ See Answer to Question 23 of Chan Chiow Kwee’s Notes of Information/Explanation Provided dated 20 July 2011.

⁶⁷ See Answer to Question 25 of George Lim’s Notes of Information/Explanation Provided dated 3 March 2011, 6:30 pm.

⁶⁸ See Answer to Question 14 of Ng Seng Guan’s Notes of Information/Explanation Provided dated 22 July 2011.

⁶⁹ See Answer to Question 27 of Toh Kim Zee’s Notes of Information/Explanation Provided dated 21 July 2011.

⁷⁰ See Answers to Questions 13 - 15 of Toh Kim Zee’s Notes of Information/Explanation Provided dated 21 July 2011.

Pang's Motor

77. Steve Pang, the sole proprietor of Pang's Motor, attended the LTA public auction on 3 March 2011 and was present at Kola, together with the other infringing parties, after the public auction.

Notes of Information/ Explanation Provided ("NOI")

78. Based on the Notes of Information ("NOIs") of Chan Chiow Kwee, Ng Seng Guan, George Lim, Toh Kim Zee, Andy Goh, Kwek Yeong Meng and Yeo Kheng San, as set out in paragraphs 79 - 86 below, the agreement and/or concerted practice was for Steve Pang of Pang's Motor to be the main bidder for the vehicles at the public auctions. It also appeared that where Steve Pang did not bid for a certain vehicle⁷¹ or if he stopped bidding for a certain vehicle because it would not be worthwhile to continue bidding, the other Parties would be allowed to make their own bids. After the public auction, the Parties would meet at a nearby location, either at Kola or Newton Hawker Centre, where a "private" auction, conducted by Steve Pang, would be held for the vehicles that were earlier won at the public auction. The difference in price between the public auction and the "private" auction would be put into a common pool by the winning bidder at the "private" auction. The pool would subsequently be shared amongst all who were present at the "private" auction at the end of the "private" auction, regardless whether the Party in question participated in the bidding.
79. Chan Chiow Kwee ("Chan") said that "...sometime last year, Steve Pang approached me and asked me not to bid higher than him, so that we can have a second auction and I can get the vehicle at a lower price. Then I started going to the second auction whenever I am keen to buy vehicle".⁷² Chan also said that "...[t]his Ah Pang told me if I want to bid, I can carry on but he can beat my price. He told me I should let him get a lower price, then we can go out of the LTA office to have a second auction."⁷³ Further, Chan said that "Steve

⁷¹ See Answer to Question 9 of Ng Seng Guan's Notes of Information/Explanation Provided dated 12 October 2011.

⁷² See Answer to Question 23 of Chan Chiow Kwee's Notes of Information/Explanation Provided dated 20 July 2011.

⁷³ See Answer to Question 18 of Chan Chiow Kwee's Notes of Information/Explanation Provided dated 20 July 2011.

Pang told us not to bid higher so that we can get it lower at the second auction.”⁷⁴

80. Ng Seng Guan stated in his NOI that “[i]f I bid, other interested parties would also bid and we might not be able to control the level of the bidding price. Hence Mr Pang or Steve Pang asked us not to bid so that he will be the only one to bid and we can also buy from him at a second auction. We will also be given rebate when we win the bid.”⁷⁵ He elaborated that “...most of the time, Steve Pang will bid as he told us not to bid and we can buy from him at a second auction. I have no choice but to follow this arrangement because if I bid and end up paying a high bidding price when Steve Pang tries to outbid me, then it will not be worth it as there is a risk that the car might not be in working condition. Sometimes Steve Pang does not bid when he is not sure about the market price of the vehicles and when this happens, we will bid.”⁷⁶ He added that the arrangement had been in place for “at least 2-3 years.”⁷⁷ Ng Seng Guan also described the process of the arrangement:

“Steve Pang will tell us which vehicles he had won at the LTA auction and the LTA auction prices. Then anyone present at the Kola Food Centre can bid for the car if he is interested. The bidding price is usually the additional amount which we are willing to pay on top of the LTA auction price. The highest bidder will win the bid. The top up amount will be split among those who are present at Kola food centre. Those who won the bid will get 2 more shares of the top up amount, which will be deducted from the top amount and treated as a form of rebate. I can only receive a share of the top up amount if I do not bid at the LTA auction. If I bid at LTA auction, Steve Pang will not allow me [sic] participate in the second auction and I will not get a share of the money. In the group, even if I don’t bid for vehicle at the second auction, I will still get a share of the money... On the average, I get about \$50 to a

⁷⁴ See Answer to Question 27 of Chan Chiow Kwee’s Notes of Information/Explanation Provided dated 20 July 2011.

⁷⁵ See Answer to Question 10 of Ng Seng Guan’s Notes of Information/Explanation Provided dated 22 July 2011.

⁷⁶ See Answer to Question 17 of Ng Seng Guan’s Notes of Information/Explanation Provided dated 22 July 2011.

⁷⁷ See Answer to Question 25 (between Questions 17 and 18) of Ng Seng Guan’s Notes of Information/Explanation Provided dated 22 July 2011.

*few hundred dollars at each auction, either in cash or as a form of rebate if I buy vehicles from Steve Pang.*⁷⁸

81. George Lim stated in his NOI that “...we all turn up at the LTA auction if we are interested in any of the vehicles. However, we will not participate in the bidding because of an understanding that only Steve Pang will bid for the group as we do not want to jack-up the end price too high”.⁷⁹ He also said that “...after the LTA auction, we come to Kola Food Centre to bid for the vehicles we are interested in”.⁸⁰
82. In his second NOI, George Lim elaborated on the entire arrangement as follows:

*“Everyone in the group has an understanding to gather at Kola Food Centre after the LTA auction. Once Steve Pang arrives at the food centre, he will start the private auction. He does his own recording. For example, if Steve wins a bid for a vehicle at the LTA auction at \$10,000, the opening bid at the private auction will start at \$10,000. Let’s say the final bid price at the private auction is \$15,000, \$5,000 is considered the “top-up” price. **This top-up price is handed over to Steve Pang in cash on the spot, and is later distributed equally among those of the group present. Steve will later invoice the winner at the private auction, separately, at the price won at the LTA auction, which is \$10,000 in the example.** Steve will combine all the “top-up” prices of all the vehicles at the private auction, and divide this total amount among all the members present. In the event that no one in the group wants to bid at the starting private auction price, which is the LTA auction winning price, we will reverse the process. We will start to lower the bids until someone wants to take the vehicle. So let’s say someone wins the vehicle at \$9,000 at the private auction, then the difference of \$1,000 will be taken from the “pool” of money from the combined “top-up” prices...”⁸¹*
(Emphasis added)

⁷⁸ See Answer to Question 19 of Ng Seng Guan’s Notes of Information/Explanation Provided dated 22 July 2011.

⁷⁹ See George Lim’s Notes of Information/Explanation Provided dated 3 March 2011, 4:15 pm.

⁸⁰ See George Lim’s Notes of Information/Explanation Provided dated 3 March 2011, 4:15 pm.

⁸¹ See Answer to Question 22 of George Lim’s Notes of Information/Explanation Provided dated 20 July 2011.

83. Toh Kim Zee said in his NOI that "...once I was bidding, and I was told off by quite a few people. It was many years ago, it was not an LTA auction, I think it was a Customs auction. Steve Pang was there, he was at one side. It was my first time, I was bidding, then I got scolded by a few people. They nudged me and said 'don't anyhow bid' ... I felt a bit strange - why did they 'scold' me? I decided to keep quiet and not bid. At the end of the auction, they asked me to go and have coffee at Newton Food Centre. So I went with them to Newton, and we just waited for Pang to arrive."⁸² He also said that, "...when Pang bid and get a car at LTA auction, the cars are later auctioned privately at Kola Food Centre. The differences between the bidding price at LTA and the private auction are then totalled up and splitted [*sic*] equally between all who attended the auction throughout..."⁸³
84. Andy Goh said that "...I know that when I go to LTA auctions, the arrangement was already in place. I started going to LTA auctions five years ago. I do not recall who told me about this arrangement; they tell me that there is a second round of auction happening at Kola Food Centre and for me to come along. We know that there will be a second round of auction after the close of the LTA auction, we all know to go to Kola Food Centre for the second round of auction if you are interested and you can buy from there"⁸⁴ and that "...I know that if Pang gets the vehicle at LTA auction, it is certain that the vehicle will be put up for sale at the second round of auctions. Therefore, I will not compete against Pang in the auction."⁸⁵ Andy Goh also described in detail the arrangement during and after the "private" auction:

"...based on my experience, the winner of the second round will pay the difference from the second auction price of the vehicle to Pang on the spot. The winner will then settle the LTA bid price amount with Pang later on. The winner will go and collect the vehicle by tow by producing the receipt that Pang has obtained..."⁸⁶

⁸² See Answer to Question 18 of Toh Kim Zee's Notes of Information/Explanation Provided dated 21 July 2011.

⁸³ See Toh Kim Zee's Notes of Information/Explanation Provided dated 3 March 2011.

⁸⁴ See Answer to Question 23 of Andy Goh's Notes of Information/Explanation Provided dated 3 March 2011, 7:45 pm.

⁸⁵ See Answer to Question 26 of Andy Goh's Notes of Information/Explanation Provided dated 3 March 2011, 7:45 pm.

⁸⁶ See Answer to Question 31 of Andy Goh's Notes of Information/Explanation Provided dated 3 March 2011, 7:45 pm.

85. Kwek Yeong Meng said that "Steve will record prices that we bid at the second auction, the highest bidder will win. The difference in price between the highest bidder at the second auction and the LTA bid placed by Steve Pang will be split between all who are present at the second auction. For example, the Lot 16 that I won from Steve Pang, I offered to top up \$250, but I needed to pay Steve Pang \$200 for the top up as \$50 was my rebate. The \$200 that I paid to Steve Pang would be split amongst those present."⁸⁷ Kwek Yeong Meng also admitted that his undertaking was a competitor to the others present at Kola Food Centre on 3 March 2011 but said that "...we usually choose not [*sic*] compete with each other as it will only benefit the supplier."⁸⁸
86. Yeo Kheng San said that "...the private meetings after auction at the coffee shop have been around for the past 4-5 years. But in the past, we would have meetings there. And I used to participate in these private meetings in which the winners of the various auction bids would come together to discuss how we would distribute the vehicles with the rest of the group. Even those who did not win would come to participate to see if they would be distributed the vehicles. We would only distribute the vehicles to those who know one another. We would not have **to outbid each other at the public auctions to avoid driving up the bid price. Instead, we would distribute the vehicles among ourselves for the same (or higher) price at the private meetings after the auction.**"⁸⁹ (Emphasis added) He also said that "I can get to share in the profits from participating [*sic*] the private auction i.e. the coffee money distributed. I would also get a discount off the GST amount of the vehicle since the winner can usually get GST refunds."⁹⁰ Yeo Kheng San also described in detail the process at the 'private' auction:

"Everyone in the group would go for the public auction and see who wins the bids at the public auction. Someone would usually suggest that they adjourn for coffee, but there was not always a coffee session. The person with the most winning bids would start the private auction session,

⁸⁷ See Answer to Question 23 of Kwek Yeong Meng's Notes of Information/Explanation Provided dated 22 July 2011.

⁸⁸ See Answer to Question 33 of Kwek Yeong Meng's Notes of Information/Explanation Provided dated 22 July 2011.

⁸⁹ See Answer to Question 17 of Yeo Kheng San's Notes of Information/Explanation Provided dated 3 March 2011, 8:01pm.

⁹⁰ See Answer to Question 33 of Yeo Kheng San's Notes of Information/Explanation Provided dated 3 March 2011, 8:01pm.

and invite the members to bid. Most of the time, this would be Pang. The starting price would be the winning bid price. The highest bidder of the second auction would get the vehicle. The winner at the second auction would be given the receipt of the public auction to collect the vehicle and put a deposit. I have not seen anyone recording the transaction. No one person keeps the price differential, it would feed into the common pool; and be evenly distributed. Everyone would stay until the very end to distribute the money. There are people who do not participate in the public auction, and just come for the private auction to get a share of the money. Only those who attend the coffee session will be entitled to a share of the money. They should be representatives of a company.”⁹¹

87. The agreement/concerted practice in relation to the bidding of motor vehicles applied to public auctions conducted by LTA, NEA, Customs, SCDF and SPF.⁹²
88. George Lim clarified that when Customs moved from a system of physical auctions to online auctions, the group that participated in the “understanding” was reduced to only four undertakings – Pang’s Motor [Steve Pang], Kiat Lee [Andy Goh], Minsheng [Victor Khoo] and Tim Bock [George Lim].⁹³ George Lim said that whenever there was an online auction, “Steve will call some of us to allocate who to buy which vehicles from Customs online...”⁹⁴, and “...Steve will tell us which vehicles to bid for and how much to bid at... if we do get the vehicles, Customs will inform us of our successful bid about three days after the auction... after that, Steve Pang will contact the group

⁹¹ See Answer to Question 32 of Yeo Kheng San’s Notes of Information/Explanation Provided dated 3 March 2011, 8:01pm.

⁹² See Answers to Questions 155 and 156 of George Lim’s Notes of Information/Explanation Provided dated 30 September 2011, Question 18 of Toh Kim Zee’s Notes of Information/Explanation Provided dated 21 July 2011, Questions 11 and 137 of Toh Kim Zee’s Notes of Information/Explanation Provided dated 17 October 2011, Question 32 of Chan Chiow Kwee’s Notes of Information/Explanation Provided dated 20 July 2011, Questions 153 and 154 of Chan Chiow Kwee’s Notes of Information/Explanation Provided dated 30 September 2011, Question 46 of Andy Goh’s Notes of Information/Explanation Provided dated 3 March 7:45 pm, and Questions 32 - 35 of Ng Seng Guan’s NOI dated 22 July 2011.

⁹³ See Answer to Question 39 of George Lim’s Notes of Information/Explanation Provided dated 20 July 2011.

⁹⁴ See Answer to Question 36 of George Lim’s Notes of Information/Explanation Provided dated 20 July 2011.

again to tell us the date and time to meet at Newton Hawker Centre... based on the same system as the LTA auction...”⁹⁵

89. Chan Chiow Kwee said that Steve Pang was “...the ringleader of the whole arrangement.”⁹⁶
90. George Lim said that Steve Pang was involved in the agreement to forbear from bidding at LTA and that Pang knew everybody there. Steve Pang was also the one conducting the ‘private’ auction and he would also try to make arrangements with newcomers⁹⁷ to join the agreement not to bid for vehicles so as not to jack up the prices in general⁹⁸. He also identified Steve Pang as the main member and that “...everyone knows Steve Pang more than anyone else.”⁹⁹ George Lim stated in his NOI that whenever “...we have problems or questions about this arrangement we will all ask Steve Pang, so I would suppose he started it”¹⁰⁰ and that “I always go to Steve Pang, no one else.”¹⁰¹
91. Andy Goh said that Pang conducted the auction at Kola¹⁰² and that 99% of the time it would be Pang’s Motor who would buy the vehicles and then sell all of those vehicles at the second round.¹⁰³ Andy Goh also said that most of the time “Pang would lead the bidding, collect and distribute the money.”¹⁰⁴
92. Ng Seng Guan said that “Mr Pang or Steve Pang asked us not to bid so that he will be the only one to bid and we can also buy from him at

⁹⁵ See Answer to Question 37 of George Lim’s Notes of Information/Explanation Provided dated 20 July 2011.

⁹⁶ See Answer to Question 145 of Chan Chiow Kwee’s Notes of Information/Explanation Provided dated 30 September 2011

⁹⁷ See Answer to Question 153 of Chan Chiow Kwee’s Notes of Information/Explanation Provided dated 30 September 2011

⁹⁸ See Answer to Question 22 of George Lim’s Notes of Information/Explanation Provided dated 3 March 2011, 4:15 pm.

⁹⁹ See Answer to Question 22 of George Lim’s Notes of Information/Explanation Provided dated 3 March 2011, 6:30 pm.

¹⁰⁰ See Answer to Question 28 of George Lim’s Notes of Information/Explanation Provided dated 3 March 2011, 6:30 pm.

¹⁰¹ See Answer to Question 29 of George Lim’s Notes of Information/Explanation Provided dated 3 March 2011, 6:30 pm.

¹⁰² See Andy Goh’s Notes of Information/Explanation Provided dated 3 March 2011, 4:50 pm.

¹⁰³ See Answer to Question 25 of Andy Goh’s Notes of Information/Explanation Provided dated 3 March 2011, 7:45 pm.

¹⁰⁴ See Answer to Question 28 of Andy Goh’s Notes of Information/Explanation Provided dated 3 March 2011, 7:45 pm.

a second auction.”¹⁰⁵ According to Ng Seng Guan, Steve Pang would also be the person who would inform them to go to Kola Food Centre after the LTA auction.¹⁰⁶ Further, Ng Seng Guan said that Steve Pang would “...tell us whether we should or should not bid before the auction.”¹⁰⁷

93. Soh Kok Meng said that "...Steve Pang will put all the money together, and he will give a share to those who bought the cars. Those who did not buy will also get some money."¹⁰⁸ He also said that "...all I know is that if the rest don't bid, then it will be Steve Pang who bids. That's all I know."¹⁰⁹ Further, he said that Pang would put up the cars for sale and ask for offers for the cars that he has.¹¹⁰
94. Toh Kim Zee said that "Ah Pang [Steve Pang] will bid for the vehicles at the LTA auction and then we will all adjourn to Kola Food Centre or other places to bid for vehicles separately and these will be conducted by Ah Pang."¹¹¹
95. Yeo Kheng San said that "...the winners of the public auction would conduct the "private" one" and that it would usually be Pang's Motor as Steve Pang "...usually wins the most vehicles at the public auction". He also said that "...the person with the most winning bids would start the private auction session, and invite the members to bid. Most of the time, this would be Pang."¹¹²
96. Steve Pang's brother-in-law, one Ang Leong Lai¹¹³, was also present at Kola on 3 March 2011. Ang Leong Lai said that he also attended the LTA public auction on 3 March 2011 with Steve Pang. He added that he was there to help "look after" Steve Pang's bag that contained

¹⁰⁵ See Answer to Question 10 of Ng Seng Guan's Notes of Information/Explanation Provided dated 22 July 2011.

¹⁰⁶ See Answer to Question 20 of Ng Seng Guan's Notes of Information/Explanation Provided dated 22 July 2011.

¹⁰⁷ See Answers to Questions 143 and 145 of Ng Seng Guan's Notes of Information/Explanation Provided dated 12 October 2011.

¹⁰⁸ See Answer to Question 17 of Soh Kok Meng's Notes of Information/Explanation Provided dated 22 July 2011.

¹⁰⁹ See Answer to Question 12 of Soh Kok Meng's Notes of Information/Explanation Provided dated 22 July 2011.

¹¹⁰ See Answer to Question 10 of Soh Kok Meng's Notes of Information/Explanation Provided dated 22 July 2011.

¹¹¹ See Answer to Question 9 of Toh Kim Zee's Notes of Information/Explanation Provided dated 17 October 2011.

¹¹² See Answers to Questions 29 and 32 of Yeo Kheng San's Notes of Information/Explanation Provided dated 3 March 2011, 8:01 pm.

¹¹³ See Answer to Question 9 of Ang Leong Lai's Notes of Information/Explanation Provided dated 21 July 2011.

various documents such as invoices and sales contracts.¹¹⁴ Ang Leong Lai said that he would help Steve Pang at auctions on his “off days” for the past two years.¹¹⁵ Ang Leong Lai said that apart from the LTA public auctions at Sin Ming Road, he also helped Steve Pang at the public auctions at a “Newton Road hotel.”¹¹⁶

97. The auction schedule for the 3 March 2011 auction was found on Ang Leong Lai at Kola and he explained that the handwritten figures in the “Remarks” column of the Schedule were of the winning bids made at the LTA public auction. Ang Leong Lai claimed that he recorded the figures to help Steve Pang calculate the amounts payable to LTA.¹¹⁷ Ang Leong Lai admitted that he would “sometimes” record the sales made at Kola, but that he did not do so on 3 March 2011.¹¹⁸ Ang Leong Lai denied that he knew any of the “details” of what happened at Kola.¹¹⁹

*Documentary Evidence*¹²⁰

98. CCS notes that there was substantial documentary evidence of transfers between Pang’s Motor and a number of undertakings for the sale and purchase of motor vehicles obtained at public government auctions. The details of these transfers will be laid out in each Party’s documentary evidence. CCS notes that these motor vehicles were transferred within days of the public auctions and, pertinently, transacted at the same price at which they were obtained at the public auctions. In view of the totality of the documentary evidence which indicated that Steve Pang (or others, in relation to Customs online auctions) sold vehicles to the winning bidder(s) in the private auctions at ostensibly no profit in *all* the transactions and George Lim’s statement that “Steve Pang will later invoice the winner at the private auction, separately at the price won at the LTA auction”, CCS concludes that these vehicles were obtained by the buyer during the

¹¹⁴ See Answer to Questions 15 and 26 of Ang Leong Lai’s Notes of Information/Explanation Provided dated 21 July 2011.

¹¹⁵ See Answer to Question 20 of Ang Leong Lai’s Notes of Information/Explanation Provided dated 21 July 2011.

¹¹⁶ See Answer to Question 20 of Ang Leong Lai’s Notes of Information/Explanation Provided dated 21 July 2011.

¹¹⁷ See Answers to Questions 30 and 31 of Ang Leong Lai’s Notes of Information/Explanation Provided dated 21 July 2011, 3:05p.m. and document marked “ALL-004” dated 3 March 2011.

¹¹⁸ See Answer to Question 34 of Ang Leong Lai’s Notes of Information/Explanation Provided dated 21 July 2011, 3:05 pm.

¹¹⁹ See Answers to Questions 36 and 38 of Ang Leong Lai’s Notes of Information/Explanation Provided dated 21 July 2011, 3:05 p.m.

¹²⁰ Please see Annex 2 for the schematic diagram of the post public auction process.

“private” auctions held subsequent to the respective public government auctions, which, in turn, point to the existence of an agreement and/or concerted practice between the Parties to forbear from bidding against each other in public government auctions.

99. For Customs online auctions, based on the bidding records obtained from Quotz for the period between 2 May 2010 (the commencement date for Quotz) and 3 March 2011, CCS notes from the bidding patterns that any of the four undertakings may bid for a vehicle which the group may be interested in. However, due to pre-auction discussions amongst the group, each of their respective bids would not be contested by the other three undertakings. CCS is of the view that having taken into account the statement provided by George Lim in paragraph 88 above and the numerous instances where it is observed that none of the other three undertakings would (even though there was every opportunity to do so) compete in a bid made by another member of the group, and in the absence of any plausible explanation, it may be concluded that all four undertakings avoided competing with each other during the auctions and that such conduct was a result of a deliberate agreement and/or concerted practice to forbear from bidding against each other.

Surveillance

100. On 23 June 2010, CCS commissioned a private firm, [X], to conduct surveillance on the Parties. However, this did not yield any useful results.
101. On 28 June 2010, surveillance reports from [X] revealed that Steve Pang was seen having a discussion with some of the auction participants outside the auction room at Hotel Royal and was observed to be bidding on some of the vehicles. He kept looking to the back of the room and was believed to be ‘receiving’ signals on whether to bid for the product or not. He subsequently headed to Newton Hawker Centre. At 1405 hrs, Steve Pang was observed calling to a crowd of approximately 17 male Chinese and one female Chinese gathered around him. He was observed sitting at a round table holding some papers and a pen jotting notes. He was overheard calling out some vehicles numbers (referring from the papers) and looking up to the crowd asking for bids in Hokkien. In their report, [X] agent observed that some of the members raised their hands in a ‘jump’ of SGD100 dollars to indicate their interest. Some members were observed shouting desired figures immediately after one and or two members had raised their hands. During the bidding process,

- [§] observed that a male Chinese was jotting down notes after every bid concluded, and some members took out money in SGD50 denomination notes from their wallets and walked towards Steve Pang. The money was subsequently handed over to Steve Pang who placed it in his briefcase. At approximately 1445 hrs, after the bidding process, the group dispersed.
102. On 6 October 2010, Steve Pang was observed bidding during the public auction. Subsequently at Newton Hawker Centre, Steve Pang conducted a bidding process. Money was seen to be given by one individual (identifiable as Khoo Meng Sei of Minsheng Agencies) to three other unidentified individuals present at the “private” auction.
 103. On 1 December 2010, Steve Pang was observed bidding and making payments for his bids at LTA. He subsequently met up with a group at the canteen at 36 Sin Ming Drive. Again, Steve Pang was observed to have chaired a private auction. He was noted to have referred to some papers and calling out figures in Hokkien. [§] agent noted that the setting appeared to be a form of bidding process chaired by Steve Pang. Khoo Meng Sei was observed distributing monies in SGD50 denomination notes to some of the individuals.
 104. On 26 January 2011, surveillance was conducted at both Hotel Royal and Newton Hawker Centre but no “private” auction was conducted at Newton Hawker Centre. However, Steve Pang was observed bidding at the public auction.
 105. On 3 March 2011, Steve Pang successfully bid for some of the motor vehicles on auction and was observed making payments at the LTA auction. He subsequently arrived at the canteen at 36 Sin Ming Drive where there were about 20 Chinese individuals gathered in three tables in front of Steve Pang. The [§] agent noted that the scene appeared to be a bidding process chaired by Steve Pang. Steve Pang was noted to have called out to the individuals “lai lai lai” (meaning “come” in Hokkien) and “no. 18 wu lang ai bo” (meaning “does anybody want no. 18” in Hokkien).
 106. The surveillance reports established that there were regular “private” auctions taking place immediately after the respective public auctions, and that the participants in the “private” auctions were apparently bidding on vehicles obtained by Steve Pang during the public auctions. Given that most of the participants in the “private” auctions were seen at the preceding public auctions, CCS is of the view that the surveillance corroborates the finding that there was an

agreement and/or concerted practice to forbear from bidding against each other in public government auctions. The surveillance also show that Steve Pang was the only one conducting the “private” auctions and monies were handed over to him after the end of the ‘private’ auctions. At Kola Food Centre, Steve Pang produced, among other things, over \$6,400 in cash, 17 acknowledgement slips from the LTA for the sale of various vehicles on 3 March 2011 to Pang’s Motor, 4 blank Maybank cheques (from Pang’s Motor Trading), the auction Schedule for the 3 March 2011 public auction at LTA (with handwritten notations), on his person. Steve Pang’s explanation for the large amount of cash was that it was to pay for the cars which he bought “on behalf of” the others who were present at Kola Food Centre.¹²¹

107. Although Steve Pang denied that there was any arrangement made between him and the other infringing parties to rig the bids at the public auction, he admitted that the people who turned up at the public auctions had a “mutual understanding” as to what would occur at the auction. When asked to elaborate, Steve Pang gave an explanation that the “mutual understanding” was that when the parties went to the LTA auction, if a person wanted to “buy” a vehicle, the person would do so, and if Steve Pang himself felt that he could not “get” the vehicle, he would not “buy”.¹²²
108. He denied that the subsequent gathering at Kola Food Centre was for the purpose of the “private” auction of the vehicles that were obtained, and to share the “pool” that was collected as a result of the infringing agreement/conduct. He said that various parties gathered at Kola for a “debrief”.¹²³ As for the sale of vehicles at Kola, he denied that he had organised any auction, and said that he would simply put the vehicles that he had won at the LTA auction “on the table” and whoever was “interested” in those vehicles could bid for them.¹²⁴
109. According to Steve Pang, there was no formal group, and as regards the other public auctions by government agencies, Steve Pang insisted that there was no “group” and that people were free to bid.¹²⁵

¹²¹ See Steve Pang’s Notes of Information/Explanation Provided dated 3 March 2011, 4:15 pm.

¹²² See Answer to Question 13 Steve Pang’s Notes of Information/Explanation Provided dated 3 March 2011, 8:30 pm.

¹²³ See Answer to Question 15 Steve Pang’s Notes of Information/Explanation Provided dated 3 March 2011, 8:30 pm.

¹²⁴ See Answer to Question 16 Steve Pang’s Notes of Information/Explanation Provided dated 3 March 2011, 8:30 pm.

¹²⁵ See Answer to Question 34 Steve Pang’s Notes of Information/Explanation Provided dated 3 March 2011, 8:30 pm.

He also said that there were “debrief” sessions after the public auction, and that the “same thing” of putting vehicles won at the public auction up for sale again was done at the “debrief”.

110. He also said that where the price at the “debrief” session was higher, the buyer would pay “coffee money”, and at other times when the eventual sale price was lower than the price that he had paid at the public auction, he would bear the loss.¹²⁶
111. Although Steve Pang’s statement indicates that there was no detailed plan to suppress prices at the auctions, and it was simply that people who turned up at the public auctions had a “mutual understanding” that there would be “debrief” sessions after the public auction where vehicles won at the public auction would be put up for sale again, CCS notes that it is established case law, which was endorsed and followed by the CCS in the *Pest Control Case*¹²⁷, *Express Bus Operators Case*¹²⁸ and the *Electrical Works Case*¹²⁹, that proof of the working out of an actual plan is not required. The criteria of coordination and cooperation must be understood in the light of the concept inherent in the principle that each economic operator must determine independently the policy which he intends to adopt on the market.
112. This principle was set out in the decision of the ECJ in the case of *Cooperatiëve Vereniging Suiker Unie v Commission*¹³⁰ where it was established that although this requirement of independence did not deprive undertakings of the right to adapt themselves intelligently to the existing and anticipated conduct of their competitors, it strictly precluded any direct or indirect contact between such operators, the object or effect of which was either to influence the conduct on the market of an actual or potential competitor or to disclose to such a competitor the course of conduct which they themselves had decided to adopt or contemplate adopting, on the market. The evidence set out in paragraphs 79 to 106 above clearly show that the undertakings in this case contacted each other and that they had in fact pursued the

¹²⁶ See Answer to Question 38 Steve Pang’s Notes of Information/Explanation Provided dated 3 March 2011, 8:30 pm.

¹²⁷ [2008] SGCCS 1 at [42].

¹²⁸ [2009] SGCCS 2 at [50].

¹²⁹ [2010] SGCCS 4 at [40].

¹³⁰ Joined cases 40 -8, 50, 54 -6, 111, 113 and 114/73 [1975] ECR-I 1663. See also Joined Cases C-89/85, C-104/85, C-114/85, C-116/85, C-117/85, C-125/85 to C-129/85, *Ahlström Osakeyhtiö and Others v Commission*, [1993] ECR I-01307 at [63].

aim of removing any uncertainty as to the bidding conduct of one another at the public auctions.

113. In its written representations¹³¹, Pang's Motor submitted that they did not think they had committed any "wrong doing" in relation to the infringement as set out above. Despite Steve Pang's bare denial of an arrangement made between him and the other infringing parties to rig the bids at public auctions, the information provided by him, as set out in paragraphs 107 – 110, indicates otherwise. In addition, in view of the totality of evidence set out in paragraphs 79 – 106, CCS is of the view that Steve Pang's denial of "wrong doing" is unsustainable.
114. In view of the above, CCS considers that the elements of an agreement or, at the very least, of a concerted practice in breach of the section 34 prohibition have been made out against Pang's Motor. Based on the evidence above, including the identification evidence set out in paragraphs 89 to 95, CCS further concludes that there is sufficient evidence to conclude that Steve Pang was the leader of the group which had acted in the manner laid out above.

Auto & Carriage/Gold Sun

115. Lim Then Hok was the previous sole proprietor of Auto & Carriage and of Gold Sun. He was present at Kola Food Centre on 3 March 2011. At Kola, Lim Then Hok denied having received any cash whilst he was there.¹³²

NOIs

116. Lim Then Hok stated in his NOI that "I wanted to see if there was anything for sale at the auction which I wanted. I always go for the auction."¹³³ He made this statement in relation to the bidding card¹³⁴ found on him at Kola Food Centre.
117. No other information was forthcoming from Lim Then Hok as he did not acknowledge nor respond to CCS' section 63 Notices¹³⁵ for him to furnish further information.

¹³¹ Written representations by Pang's Motor dated 18 October 2012.

¹³² See Answer to Question 2 of Lim Then Hok's Notes of Information/ Explanation Provided dated 3 March 2011, 4 pm.

¹³³ See Answer to Question 3 of Lim Then Hok's Notes of Information/ Explanation Provided dated 3 March 2011, 4pm.

¹³⁴ See Exhibit marked as LTH-004.

¹³⁵ Lim Then Hok did not respond to any of the three section 63 Notices dated 13 July 2011, 17 August 2011 and 11 October 2011.

118. Lim Then Hok was a familiar face to four of the Parties and had been recognised by Ng Seng Guan, Chan Chiow Kwee, George Lim and Toh Kim Zee. Apart from Ng Seng Guan, Lim Then Hok was also implicated by George Lim, Chan Chiow Kwee and Toh Kim Zee, to be involved in the agreement to forebear from bidding against each other at LTA, Customs and SCDF public auctions.¹³⁶

Documentary Evidence

Pang's Motor and Auto & Carriage

119. CCS notes that there was documentary evidence of agreements between Auto & Carriage and Pang's Motor for purchase of motor vehicles won by Steve Pang at the following auctions:

Name of Agency	Date	Make and Model	Registration Number
LTA	23 June 2010	Isuzu van	YK5646A ¹³⁷
	1 December 2010	Honda Civic motorcar	SBU2476M ¹³⁸
NEA	28 June 2010	Daihatsu single cab lorry	YG7994C ¹³⁹
		Van of unrecorded make and model	GT4299R ¹⁴⁰
Customs	20	Hyundai	GU1535Z ¹⁴¹

¹³⁶ See Answers to Questions 14 – 26 of George Lim's Notes of Information/ Explanation Provided dated 30 September 2011, and Answers to Questions 13 – 23 of Chan Chiow Kwee's Notes of Information/ Explanation Provided dated 30 September 2011, and Answers to Questions 13 – 23 of Toh Kim Zee's Notes of Information/ Explanation Provided dated 13 October 2011.

¹³⁷ See Exhibit marked as PYS-004.

¹³⁸ See Exhibit marked as PYS-021.

¹³⁹ See Exhibits marked as SPYS-013 and SPYS-012.

¹⁴⁰ See Exhibits marked as SPYS-013 and SPYS-012.

¹⁴¹ See Exhibit marked as SPYS-065.

120. CCS notes that these agreements were made within days of the dates of the respective public auctions, and that the same vehicles were transacted at the exact price at which they were obtained at the public auctions. This is consistent with George Lim’s statement highlighted in paragraph 98 above that “Steve Pang will later invoice the winner at the private auction, separately at the price won at the LTA auction”. CCS concludes from the documentary evidence that these vehicles were obtained by the buyer during the “private” auctions held subsequent to the respective public government auctions.
121. For any particular government auction, CCS notes that the security deposit made will be released by LTA upon proof that the vehicle in question has been re-registered, scrapped or exported. The security deposit is released back to the winning bidder or to a third party, upon application by the winning bidder to do so. CCS notes an “authorisation” letter issued by Pang’s Motor stating that the third party (in this instance Auto & Carriage) is authorised to receive the security deposit “as the cash deposit was paid by him/them on our behalf for the auction vehicle number...” In the following instances, LTA records show that Pang’s Motor had applied to LTA to release the security deposit it had made for vehicles it had won to Auto & Carriage.

Name of Agency	Date	Make and Model	Registration Number
Customs	27 April 2010	Toyota Corolla motorcar	SBW6967B ¹⁴²
	26 January 2011	Mercedes Benz van	GW3110S ¹⁴³

122. CCS notes that if Pang’s Motor had won the vehicles in the public auction, there was no reason for him to authorise the refund of the security deposits to Auto & Carriage or for Auto & Carriage to make

¹⁴² See LTA records with Security Deposit Receipt No. VT195141.

¹⁴³ See LTA records with Security Deposit Receipt No. VT205565.

the security deposits in the first place, especially since they should be competitors in the public auction. CCS is of the view that it can reasonably be inferred that Auto & Carriage had won the vehicles at the “private” auction and was party to the agreement and/or concerted practice amongst the Parties to forbear from bidding against each other in public government auctions.

Pang’s Motor and Gold Sun

123. There was documentary evidence of a cheque dated 29 June 2010 and made to Pang’s Motor for the purchase of vehicle YG7994C, on behalf of Gold Sun, and signed off by Lim Then Hok (in Chinese)¹⁴⁴, although the transfer agreement for the vehicle was between Pang’s Motor and Auto & Carriage.
124. The documentary evidence shows the sale of motor vehicles at the second “private” auction to Auto & Carriage and Gold Sun, and underscores the existence of an agreement or concerted practice by Auto & Carriage, and Gold Sun, with the other Parties, to refrain from bidding for these vehicles at the public auction and instead procure them at the second “private” auction.

Surveillance

125. Surveillance of the past activities of the Parties showed Lim Then Hok leaving the LTA compound on 1 December 2010, after the end of the LTA public auction, at around 1455 hrs.
126. On another occasion, on 12 October 2010, Lim Then Hok was seen arriving at Newton Hawker Centre at 1130 hrs, where Steve Pang subsequently conducted a bidding process, at the conclusion of which, monies were distributed among those present at the bidding process. Lim Then Hok was also seen to be part of the group participating in a “private” auction at Newton Hawker Centre after the 28 June 2010 Customs auction.

Identity of Undertaking

127. Lim Then Hok had registered for public auctions held by LTA, NEA, Customs, SCDF and SPF, since 2008, under various names: his own, Gold Sun, Siang Hock Holding Pte Ltd (“Siang Hock”), and Auto and Carriage. CCS notes that the address used for Lim Then Hok’s registrations at these public auctions was 279 Balestier Road #01-10,

¹⁴⁴ See Exhibit marked as SPYS-013.

Balestier Point, Singapore 329727 – this address being the address stated in the ACRA records for both Auto & Carriage and Gold Sun.

128. Lim Then Hok was the sole proprietor of Auto & Carriage from 26 December 1989 to 26 February 2001 and again from 13 September 2005 to 10 March 2008. He was also the sole proprietor of Gold Sun from 26 October 1996 to 30 December 1998 and from 13 September 2005 to 1 March 2007. The ACRA records do not show any relationship of Lim Then Hok with Siang Hock. CCS notes that the current sole proprietor of both undertakings is one Ms Lim Han Chia. However, CCS notes that even after relinquishing formal legal control of Auto & Carriage and Gold Sun on 10 March 2008 and 1 March 2007 respectively, auction registration records show that Lim Then Hok continued to register himself under Auto & Carriage and Gold Sun.
129. From the evidence above, CCS finds that Auto & Carriage and Gold Sun, as represented by Lim Then Hok, were parties to the agreement to forebear from bidding against each other at the public auctions. While there was an occasion where Lim Then Hok won vehicles at a public auction, he also subsequently attended the “private” auctions and shared in the distribution of the spoils. It is accepted case law that an undertaking remains liable even if it plays a limited part in the agreement or may not be fully committed to it. CCS is of the view that liability has been made out against both Auto & Carriage and Gold Sun. CCS has served the PID on both undertakings, receipt of which were duly acknowledged. However, Auto & Carriage and Gold Sun did not make any representations.

Hup Lee

130. Toh Kim Zee, a partner at Hup Lee, was present at Kola on 3 March 2011.

NOIs

131. Toh Kim Zee said that he arrived late for the LTA public auction on 3 March 2011, and hence did not register himself for it. Toh Kim Zee denied that there was any prior arrangement in relation to the bidding at the LTA public auction on 3 March 2011, and he had simply asked Steve Pang, his friend and business acquaintance, to bid on his behalf (for a vehicle that Toh Kim Zee was interested in) at the auction on that day.

132. However, Toh Kim Zee admitted that he knew Steve Pang would be the only person bidding because he had been “told off by quite a few people” at a previous public auction for bidding against Steve Pang. According to Toh, this occurred at a Customs public auction some years back.¹⁴⁵ After he was “told off”, he was invited to go for “coffee” at Newton Food Centre. Toh Kim Zee recalled that the group then waited for Steve Pang to arrive, whereupon Steve Pang auctioned off the cars that he had obtained from the earlier public auction.¹⁴⁶ Toh Kim Zee also said that the difference in prices at the LTA public auction and the “private” auction at Kola would be pooled, and the monies would then be distributed among whoever was present at the “private” auction.¹⁴⁷ According to Toh Kim Zee, due to the sharing of the pooled monies, winning bidders at the “private” auction may sometimes end up not having to pay for the vehicles that they had won.¹⁴⁸ He also admitted that he could “make more money bidding at Kola than at the LTA auction. So I let Pang bid at LTA.”¹⁴⁹
133. Toh Kim Zee said that Steve Pang was present at other public auctions by Customs, SCDF, and the SPF, which Toh attended as well.¹⁵⁰ However, for the online auctions, Toh claimed that he did not participate in them, and that he “...did look but prices are very high, so I didn’t participate.”¹⁵¹
134. Ng Seng Guan and Kwek Yeong Meng recognised Toh Kim Zee as being present at Kola on 3 March 2011.¹⁵² Ng Seng Guan also said that Toh Kim Zee was at the LTA public auction earlier that day.¹⁵³ George Lim and Chan Chiow Kwee both recognised Toh Kim Zee.

¹⁴⁵ See Answer to Question 18 of Toh Kim Zee’s Notes of Information/Explanation Provided dated 21 July 2011.

¹⁴⁶ See Answer to Question 19 of Toh Kim Zee’s Notes of Information/Explanation Provided dated 21 July 2011.

¹⁴⁷ See Toh Kim Zee’s Notes of Information/Explanation Provided dated 3 March 2011 and Answers to Questions 20 & 24 of Toh Kim Zee’s Notes of Information/Explanation Provided dated 21 July 2011.

¹⁴⁸ See Answer to Question 24 of Toh Kim Zee’s Notes of Information/Explanation Provided dated 21 July 2011.

¹⁴⁹ See Toh Kim Zee’s Notes of Information/Explanation Provided dated 3 March 2011.

¹⁵⁰ See Answer to Question 31 of Toh Kim Zee’s Notes of Information/Explanation Provided dated 21 July 2011.

¹⁵¹ See Answer to Question 28 of Toh Kim Zee’s Notes of Information/Explanation Provided dated 21 July 2011.

¹⁵² See Answer to Question 34 of Kwek Yeong Meng’s Notes of Information/Explanation Provided dated 20 July 2011 and Question 29 of Ng Seng Guan’s Notes of Information/Explanation Provided dated 22 July 2011.

¹⁵³ See Answer to Question 12 of Ng Seng Guan’s Notes of Information/Explanation Provided dated 22 July 2011.

George Lim said that Toh Kim Zee was part of the agreement to forebear from bidding at public auctions, although he “seldom sees” him.¹⁵⁴ Chan Chiow Kwee said that he “believed” Toh Kim Zee was part of the agreement, and that he was already involved when Chan himself joined the agreement.¹⁵⁵ However, Chan was not sure if Toh Kim Zee was “involved” in the agreements for the public auctions held by other government departments.¹⁵⁶

Documentary Evidence

Pang’s Motor and Hup Lee

135. According to the vehicle sales transactions kept by Pang’s Motor, there was evidence of agreements between Hup Lee and Pang’s Motor for purchase of the motor vehicles won by Steve Pang at the following auctions:

Name of Agency	Date	Make and Model	Registration Number
LTA	1 December 2010	Proton motorcar	JGM8990 ¹⁵⁷
Customs	28 June 2010	Hyundai Matrix motorcar	JHG5993 ¹⁵⁸
	20 September 2010	Naza Ria motorcar	JJB9686 ¹⁵⁹

¹⁵⁴ See Answers to Questions 26 – 37 of George Lim’s Notes of Information/Explanation Provided dated 30 September 2011.

¹⁵⁵ See Answers to Questions 24 – 37 of Chan Chiow Kwee’s Notes of Information/Explanation Provided dated 30 September 2011.

¹⁵⁶ See Answer to Question 32 of Chan Chiow Kwee’s Notes of Information/Explanation Provided dated 30 September 2011.

¹⁵⁷ See Exhibit marked as PYS-015.

¹⁵⁸ See Exhibit marked as SPYS-046.

¹⁵⁹ See Exhibit marked as SPYS-067.

136. CCS notes that these agreements were made within days of the respective dates of the public auctions and that the same vehicles were sold at the exact price at which they were obtained at the public auctions. This is consistent with George Lim’s statement highlighted in paragraph 98 above that “Steve Pang will later invoice the winner at the private auction, separately at the price won at the LTA auction”. The documentary evidence strongly suggests that these vehicles were obtained by the buyer (in these instances, Toh Kim Zee) during the “private” auctions held after the respective public government auctions.
137. In Hup Lee’s case, CCS notes that for the following vehicles won by Pang’s Motor, Pang’s Motor had applied for the refund of the security deposit to be made to Hup Lee instead, with the requisite “authorisation” letter authorising Hup Lee to receive the monies.

Name of Agency	Date	Make and Model	Registration Number
LTA	3 March 2011	Unknown	JLP7751 ¹⁶⁰
Customs	20 February 2009	Proton Waja motorcar	JKJ6146 ¹⁶¹
	28 April 2009	Mercedes Benz motorcar	SBY3789H ¹⁶²
		Proton Wira motorcar	WHQ6434 ¹⁶³
	28 July 2009	Perodua Viva motorcar	JKM2384 ¹⁶⁴

¹⁶⁰ See LTA records with Security Deposit Receipt No. VT205596.

¹⁶¹ See LTA records with Security Deposit Receipt No. VT194523.

¹⁶² See LTA records with Security Deposit Receipt No. VT194588.

¹⁶³ See LTA records with Security Deposit Receipt No. VT194587.

¹⁶⁴ See LTA records with Security Deposit Receipt No. VT194685.

		Proton Gen motorcar	BHU8358 ¹⁶⁵
		Honda Odyssey motorcar	WND5800 ¹⁶⁶
	28 September 2009	Toyota Corona motorcar	SFQ558Y ¹⁶⁷
		Hyundai Matrix motorcar	JJC9258 ¹⁶⁸
	24 November 2009	Kia Rio motorcar	JGW1528 ¹⁶⁹
		Kia Naza motorcar	JKT5491 ¹⁷⁰
SCDF	6 October 2010	Unknown	QX4465M ¹⁷¹
SPF	5 August 2009	Honda Civic motorcar	SBU4220X ¹⁷²

138. CCS notes that if Pang’s Motor had won the vehicles in the public auction, there was no reason for him to authorise the refund of the security deposits to Hup Lee or for Hup Lee to make the security deposits in the first place, especially since they should be competitors in the public auction. CCS is of the view that it can reasonably be inferred that Hup Lee had won the vehicles at the “private” auction and was party to the agreement and/or concerted practice amongst the

¹⁶⁵ See LTA records with Security Deposit Receipt No. VT194684.

¹⁶⁶ See LTA records with Security Deposit Receipt No. VT194686.

¹⁶⁷ See LTA records with Security Deposit Receipt No. VT194846.

¹⁶⁸ See LTA records with Security Deposit Receipt No. VT194849.

¹⁶⁹ See LTA records with Security Deposit Receipt No. VT194945.

¹⁷⁰ See LTA records with Security Deposit Receipt No. VT194946.

¹⁷¹ See LTA records with Security Deposit Receipt No. VT205393.

¹⁷² See LTA records with Security Deposit Receipt No. VT194694.

Parties to forbear from bidding against each other in public government auctions. This is consistent with Toh Kim Zee's statements that he refrained from bidding at the public auctions but would instead bid for the vehicles he wanted at the "private" auctions.

139. The documentary evidence suggests the sale of motor vehicles at the second "private" auction to Hup Lee, and underscores the existence of an agreement or concerted practice by Hup Lee with the other Parties to refrain from bidding for these vehicles at the public auction and instead to procure them at the second "private" auction.

Surveillance

140. CCS' surveillance showed that Toh Kim Zee was a participant in the "private" bidding process at Newton Food Centre on 6 October 2010 after the SCDF and SPF joint auction as well as on 28 June 2010 after the Customs auction. Toh Kim Zee was also seen to have received monies from Andy Goh during the "private" auction on 28 June 2010.
141. CCS finds that Toh Kim Zee knew about, and participated in the agreement to forebear to bid at the public auctions, and also participated in the subsequent "private" auctions. As stated in paragraph 35, it has been held that a party is liable even if it had joined the agreement under pressure from other parties, and even if it had limited participation in the agreement. CCS therefore finds Hup Lee liable for an infringement of the section 34 prohibition.
142. CCS notes that in Hup Lee's written representations, it did not challenge the facts with regard to its liability in the PID.

Kiat Lee Scrap Vehicles and Kiat Lee Machinery

143. Andy Goh, a director at Kiat Lee Scrap Vehicles and manager at Kiat Lee Machinery¹⁷³, was registered for the LTA public auction and present at Kola on 3 March 2011.

NOIs

144. Andy Goh claimed in his NOI that there was "no arrangement at all"¹⁷⁴ amongst the group of motor vehicles traders with regard to the

¹⁷³ See Answer to Question 2 of Andy Goh's Notes of Information/ Explanation Provided dated 3 March 2011, 7:45pm.

bids they would put in at the LTA public auctions, but he also went on to say that he “will not compete against [Steve] Pang in the auction” as “it is certain that the vehicle will be put up for sale at the second round of auctions” if “[Steve] Pang gets the vehicle at LTA auctions.”¹⁷⁵ He further said “if there is a vehicle I am interested in and Pang bids for the vehicle, I will go for the second round of auction and maybe buy from there, I will not bid against Pang even if there is a vehicle I am interested...”¹⁷⁶

145. Andy Goh was able to recount in detail, the process of the “private” auctions, including the process where the difference in winning bid amounts (between the public auction and the “private” one) would be placed in a common pool and subsequently distributed among participants of the “private” auctions.¹⁷⁷ According to Andy Goh, the winner of the vehicles at the “private” auction would pay the difference to Steve Pang on the spot whereas the LTA bid price would be settled with Steve Pang separately at a later time.¹⁷⁸ Andy Goh also said that he had been attending the private auctions at Kola for the past “few” years.¹⁷⁹
146. Andy Goh clarified that anyone, not necessarily the winner at the LTA auction, could retrieve the vehicles from the pound as long as the receipt obtained by Steve Pang was produced after he had successfully won the vehicles at the public auction.¹⁸⁰
147. Andy Goh confirmed that the group would also hold “private” auctions for other government public auctions such as NEA, Customs and SCDF auctions. He clarified that “not all the time there will be a second round. 99% of the time, there will be a second auction for LTA”. Andy Goh claimed that he did not participate in the “private”

¹⁷⁴ See Answer to Question 16 of Andy Goh’s Notes of Information/Explanation Provided dated 3 March 2011, 7:45 pm.

¹⁷⁵ See Answer to Question 26 of Andy Goh’s Notes of Information/Explanation Provided dated 3 March 2011, 7:45 pm.

¹⁷⁶ See Answer to Question 27 of Andy Goh’s Notes of Information/Explanation Provided dated 3 March 2011, 7:45 pm.

¹⁷⁷ See Answer to Question 28 of Andy Goh’s Notes of Information/Explanation Provided dated 3 March 2011, 7:45 pm.

¹⁷⁸ See Answer to Question 31 of Andy Goh’s Notes of Information/Explanation Provided dated 3 March 2011, 7:45 pm.

¹⁷⁹ See Andy Goh’s Notes of Information/Explanation Provided dated 3 March 2011, 4:50 pm.

¹⁸⁰ See Answer to Question 31 of Andy Goh’s Notes of Information/Explanation Provided dated 3 March 2011, 7:45 pm.

auctions for NEA and SCDF auctions, and that “since Customs auction went online, we never talked about second round.”¹⁸¹

148. Andy Goh was identified by Chan Chiow Kwee¹⁸² as being a party to the agreement for the forbearance to bid at LTA public auctions. Toh Kim Zee¹⁸³ said that besides LTA public auctions, Andy Goh was also a party to the agreement for the forbearance to bid at SCDF and Customs public auctions. George Lim¹⁸⁴ identified Andy Goh as being involved in the Customs physical and online Customs online auctions. Ng Seng Guan¹⁸⁵ recognized Andy Goh and said that he had seen him at Kola bidding for vehicles at the “private” auctions but was unclear about the specifics of the agreement Andy Goh had with Steve Pang.

Documentary Evidence

Pang’s Motor and Kiat Lee Machinery

149. CCS notes that there is evidence of a transfer from Kiat Lee Machinery to Pang’s Motor for vehicles won by Kiat Lee Machinery at the following auctions:

Name of Agency	Date	Make and Model	Registration Number
Customs (Quotz online auction)	26 May 2010	Proton Perdana motorcar	BES9908 ¹⁸⁶
	24 June 2010	Mercedes Benz motorcar	PFR622 ¹⁸⁷
	28 June 2010	Hino bus	WCX722 ¹⁸⁸

¹⁸¹ See Answer to Question 46 of Andy Goh’s Notes of Information/Explanation Provided dated 3 March 2011, 7:45 pm.

¹⁸² See Answers to Questions 8, 90, 92, 94, 95 and 96 of Chan Chiow Kwee’s Notes of Information/Explanation Provided dated 30 September 2011.

¹⁸³ See Answers to Questions 9, 11, 75, 77, 79, 81, 82 and 83 of Toh Kim Zee’s Notes of Information/Explanation Provided dated 17 October 2011.

¹⁸⁴ See Answers to Questions 9, 98, 99, 100, 101, 104, 105, 107 and 108 of George Lim’s Notes of Information/Explanation Provided dated 30 September 2011.

¹⁸⁵ See Answers to Questions 8, 11, 75, 76, 77, 79, 81 and 84 of Ng Seng Guan’s Notes of Information/Explanation Provided dated 12 October 2011.

¹⁸⁶ See Exhibit marked as SPYS-037.

¹⁸⁷ See Exhibit marked as SPYS-058.

¹⁸⁸ See Exhibit marked as SPYS-017.

20 September 2010	Renault	GW2954E ¹⁸⁹
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150. CCS notes a pattern in bidding during the Customs online auctions above: Pang’s Motor did not put in bids for any of the above listed vehicles. Kiat Lee Machinery subsequently sold these vehicles to Pang’s Motor at the same price which it purchased the vehicles at. When Pang’s Motor put in bids at these auctions for other vehicles, these bids were similarly not contested by Kiat Lee Machinery.¹⁹⁰ CCS is of the view that this is not mere coincidence. It is consistent with CCS’ findings from its investigations that Kiat Lee Machinery and Pang’s Motor avoided competing with each other in the Customs online auctions; and that the pattern of behaviour was a result of a deliberate agreement to forbear from bidding against each other. CCS notes that if Pang’s Motor was interested in the vehicles that it eventually bought from Kiat Lee Machinery, Pang’s Motor could and should have put in bids for those vehicles during the Customs online auctions.
151. There is also documentary evidence of transfers of vehicles won by Pang’s Motor at the 26 May 2010 Customs online auction, to Kiat Lee Machinery.

Name of Agency	Date	Make and Model	Registration Number
Customs (Quotz online auction)	26 May 2010	Honda Civic motorcar	SFS2304P ¹⁹¹

152. CCS notes the same bidding pattern mentioned above. In this case, if Kiat Lee Machinery was interested in the vehicles that it eventually bought from Pang’s Motor, Kiat Lee Machinery could and should have put in bids for those vehicles during the Customs online auction.

Pang’s Motor and Kiat Lee Scrap Vehicles

153. CCS notes a transfer of a motor vehicle which Pang’s Motor had won at the 1 December 2010 LTA auction, from Pang’s Motor to Kiat Lee

¹⁸⁹ See Exhibit marked as SPYS-070.

¹⁹⁰ According to bidding records provided by Quotz.

¹⁹¹ See Exhibit marked as SPYS-034.

Scrap Vehicles. Kiat Lee Scrap Vehicles had registered for the 1 December 2010 auction.

Name of Agency	Date	Make and Model	Registration Number
LTA	1 December 2010	Toyota Corona motorcar	SBU5844P ¹⁹²

154. CCS notes that the agreement between Pang’s Motor and Kiat Lee Scrap Vehicles was made within days of the public auction, and that the vehicle was sold at the same price at which it was obtained at the public auction. This is consistent with George Lim’s statement highlighted in paragraph 98 above that “Steve Pang will later invoice the winner at the private auction, separately at the price won at the LTA auction” and consistent with Andy Goh’s own admission that “...the LTA bid price would be settled with Steve Pang separately at a later time.”¹⁹³
155. Further, according to records provided by LTA, Pang’s Motor applied for the release of the security deposits, in respect of the following vehicles won by Pang’s Motor, to be made to Kiat Lee Machinery. For each application, Pang’s Motor had issued “authorisation” letters/notes authorising Kiat Lee Machinery to receive the security deposit monies.

Name of Agency	Date	Make and Model	Registration Number
Customs	20 February 2009	Toyota Rav motorcar	SJB2455D ¹⁹⁴
		Hyundai Verna	SGQ4345G ¹⁹⁵
		Nissan bus	JCH8155 ¹⁹⁶
	28 April 2009	Hyundai van	GW130D ¹⁹⁷
	28 July 2009	Mercedes Benz	WFK8667 ¹⁹⁸

¹⁹² See Exhibit marked as PYS-020.

¹⁹³ See Answer to Question 31 of Andy Goh’s Notes of Information/Explanation Provided dated 3 March 2011, 7:45 pm.

¹⁹⁴ See LTA records with Security Deposit Receipt No. VT194502.

¹⁹⁵ See LTA records with Security Deposit Receipt No. VT194503.

¹⁹⁶ See LTA records with Security Deposit Receipt No. VT194504.

¹⁹⁷ See LTA records with Security Deposit Receipt No. VT194579.

¹⁹⁸ See LTA records with Security Deposit Receipt No. VT194665.

		bus	
	27 April 2010	Ford Econ van	PDL5421 ¹⁹⁹
SCDF	6 October 2010	Minibus	GP9903T ²⁰⁰
		Minibus	GP9908E ²⁰¹
		Minibus	GP9961A ²⁰²
		Minibus	GP9974M ²⁰³
SPF	5 August 2009	Ford Econ minibus	QX3859S ²⁰⁴
		Ford Econ minibus	QX4161P ²⁰⁵
		Ford Econ minibus	QX4214X ²⁰⁶
		Mazda minibus	QX3690K ²⁰⁷
		Ford Econ minibus	QX3772H ²⁰⁸
		Ford Econ minibus	QX3788M ²⁰⁹

156. CCS notes that if Pang’s Motor had won the vehicles in the public auction, there was no reason for him to authorise the refund of the security deposits to Kiat Lee Machinery or for Kiat Lee Machinery to make the security deposits in the first place, especially since they should be competitors in the public auction. CCS is of the view that it can be reasonably inferred that Kiat Lee Machinery had won the vehicles at the “private” auction and was party to the agreement and/or concerted practice amongst the Parties to forbear from bidding against each other in public government auctions.
157. The documentary evidence suggests the sale of motor vehicles at the second “private” auction between Pang’s Motor and Kiat Lee Scrap Vehicles and between Pang’s Motor and Kiat Lee Machinery, and underscores the existence of an agreement or concerted practice by

¹⁹⁹ See LTA records with Security Deposit Receipt No. VT195133.

²⁰⁰ See LTA records with Security Deposit Receipt No. VT205387.

²⁰¹ See LTA records with Security Deposit Receipt No. VT205388.

²⁰² See LTA records with Security Deposit Receipt No. VT205389.

²⁰³ See LTA records with Security Deposit Receipt No. VT205390.

²⁰⁴ See LTA records with Security Deposit Receipt No. VT194698.

²⁰⁵ See LTA records with Security Deposit Receipt No. VT194698.

²⁰⁶ See LTA records with Security Deposit Receipt No. VT194698.

²⁰⁷ See LTA records with Security Deposit Receipt No. VT194698.

²⁰⁸ See LTA records with Security Deposit Receipt No. VT194698.

²⁰⁹ See LTA records with Security Deposit Receipt No. VT194698.

Kiat Lee Scrap Vehicles and Kiat Lee Machinery with the other Parties to refrain from bidding for these vehicles at the public auction and instead procure them at the second “private” auction.

Surveillance

158. CCS notes from its surveillance that Andy Goh was seen to be amongst the group of participants at the “private” auctions’ venue at Newton Food Centre on 26 January 2011 and 6 October 2010 after SPF public auctions, and 28 June 2010 after Customs auction and at Kola on 1 December 2010 after a LTA auction. Andy Goh was also seen distributing monies to Ng Seng Guan (Seng Guan) and Toh Kim Zee (Hup Lee) during the 28 June 2010 “private” auction.
159. In its written representations²¹⁰ to CCS, Andy Goh admitted that he had infringed the Act but submitted that Kiat Lee Machinery should not be found liable just because both undertakings were registered at the public auctions. He submitted that he had registered both companies because Kiat Lee Scrap Vehicles is not Goods and Services Tax (“GST”) registered. Therefore he registered Kiat Lee Machinery as well because he wanted to “claim back the GST when the vehicle is exported out of the country...”. He further submitted that he felt they are being “penalized twice for the same infringement”.
160. Andy Goh also submitted that he had always registered both undertakings under one name at the public auctions. However, for the instances in which both Kiat Lee Scrap Vehicles and Kiat Lee Machinery were registered for the same public auction, CCS notes that it is the case that Kiat Lee Scrap Vehicles would be registered under Andy Goh whereas Kiat Lee Machinery would be registered under Andrew Goh.²¹¹ Moreover, if Andy Goh had wanted to claim back the GST as contended in his representations, it is reasonable to conclude that he could have just registered Kiat Lee Machinery for the public auctions and not both undertakings. From the documentary evidence set out above, CCS notes that Kiat Lee Scrap Vehicles and Kiat Lee Machinery were involved in the agreement as separate entities.

²¹⁰ Written representations submitted by Kiat Lee Scrap Vehicles for both Kiat Lee Scrap Vehicles and Kiat Lee Machinery on 20 September 2012.

²¹¹ According to auction records provided by the auction houses for LTA, NEA, Singapore Customs, SCDF and SPF auctions. CCS understands that Andrew Goh is a separate person.

161. Taking into consideration all of the above, CCS finds that the elements of an agreement or, at the very least, of a concerted practice in breach of the section 34 prohibition have been made out against Kiat Lee Scrap Vehicles and Kiat Lee Machinery.

Minsheng

162. Khoo Meng Sei (also known as “Victor Khoo²¹²”), the sole proprietor of Minsheng Agencies²¹³, was present at Kola on 3 March 2011. Victor Khoo’s son, Nichol Khoo, was also present at Kola on 3 March 2011.

NOIs

163. CCS notes that Victor Khoo stated in his NOI dated 3 March 2011 that he was “a retiree... not an employee of Minsheng Agencies” and that in fact Minsheng Agencies is his son’s – Nichol Khoo – company.²¹⁴ CCS notes that Khoo Meng Sei registered himself as “Victor Khoo” on various occasions at the various government agencies’ public auctions.
164. CCS notes that Victor Khoo and Nichol Khoo had also registered for public auctions under the names of other companies. However, there is no reason to believe that these companies were involved, and that for the purposes of this ID, CCS is of the view that Nichol Khoo and Victor Khoo represent only Minsheng.
165. Victor Khoo explained that he was at the LTA public auction on 3 March 2011 to accompany his friend, Khoo Han Thiew, the latter being interested in the motorised bicycles on auction. Victor Khoo claimed that he had no interest in any of the vehicles on auction that day.²¹⁵ As for his presence at Kola, Victor Khoo said that he “went there after the LTA auction for coffee”. He said that he would be at Kola or the coffee shop at Block 22 everyday from 2:30 – 4:30 pm for coffee as he was free at those times.²¹⁶

²¹² See Answer to Question 1 of Khoo Meng Sei’s Notes of Information/ Explanation Provided dated 18 October 2011.

²¹³ See ACRA records for Minsheng Agencies

²¹⁴ See Khoo Meng Sei’s Notes of Information/ Explanation Provided dated 3 March 2011.

²¹⁵ See Answer to Question 12 of Khoo Meng Sei’s Notes of Information/ Explanation Provided dated 18 October 2011.

²¹⁶ See Answer to Question 21 of Khoo Meng Sei’s Notes of Information/ Explanation Provided dated 18 October 2011.

166. Victor Khoo denied any agreement between him and Steve Pang for the forbearance to bid during public auctions as he and Steve Pang were rivals²¹⁷, and that he would “challenge” Steve Pang during auctions if he was interested in any of the vehicles.²¹⁸ CCS is of the view that the overwhelming weight of the evidence in this case is contrary to Victor Khoo’s assertion that there was no forbearance to bid. Be that as it may, CCS is of the view that even if there was any competition in bidding between Victor Khoo and Steve Pang, this was limited to certain vehicles²¹⁹ and therefore occurred only as isolated events. Furthermore, it did not follow that just because there was a “challenge” by Victor Khoo on certain vehicles, that Minsheng should be absolved from all liability under section 34 of the Act. CCS notes that it is established case law that a party to an agreement remains liable even if it did not fully implement the agreement.²²⁰
167. CCS notes that Chan Chiow Kwee recognised Victor Khoo and named Victor Khoo’s company as Minsheng Agencies. Chan had seen Victor Khoo at “other auctions”, including “police auctions”, and believed that Victor Khoo was party to the agreement to forebear from bidding at the public auctions. Chan said that Victor Khoo was “already involved” when Chan joined the group.²²¹ Toh Kim Zee²²² recognised Victor Khoo, who was known to him as “Khoo” or “Koh”. Toh said that Victor Khoo was party to the agreement to forebear to bid at the LTA public auction, and that Victor Khoo “should” have been party to the agreement longer than Toh. Toh was not entirely sure whether Victor Khoo was party to the agreement to forebear from bidding at the other public auctions by other government authorities.²²³ George Lim recognised Victor Khoo, but was “not very sure” if Victor Khoo was part of the agreement to forebear from bidding at the LTA public auctions²²⁴. Nonetheless, George Lim stated that Victor Khoo was part of the group that agreed

²¹⁷ See Answer to Question 27 of Khoo Meng Sei’s Notes of Information/ Explanation Provided dated 18 October 2011.

²¹⁸ See Answer to Question 27 of Khoo Meng Sei’s Notes of Information/ Explanation Provided dated 18 October 2011.

²¹⁹ See Quotz bidding records.

²²⁰ The gist of Victor Khoo’s argument was that there was no implementation of the agreement and/or concerted practice as he had on occasion bidded competitively against Steve Pang.

²²¹ See Answers to Questions 8, 79 - 89 of Mr Chan Chiow Kwee’s Notes of Information/Explanation dated 30 September 2011.

²²² See Answers to Questions 9, 11, 70, 71, 72 and 73 of Mr Toh Kim Zee’s Notes of Information/Explanation dated 17 October 2011.

²²³ See Answer to Questions 64 – 74 of Toh Kim Zee’s Notes of Information/Explanation Provided dated 17 Oct 2011.

²²⁴ See Answers to Questions 86 – 97 of George Lim’s Notes of Information/Explanation Provided dated 30 September 2011.

to forebear from bidding against each other in the Customs online auctions.²²⁵ According to George Lim, Victor Khoo “knows” Steve Pang, and Victor Khoo would also have discussions with Chan Chiow Kwee.²²⁶ Victor Khoo was also named as part of the group that agreed to forebear to bid on the Customs online auction.²²⁷

168. Nichol Khoo stated in his NOI that he did not attend the LTA auction on 3 March 2011 as the vehicles he was interested in bidding - Lot Numbers: 14, 15 and 16²²⁸ - were withdrawn before the start of the auction.²²⁹ Instead, he went to the LTA office to make an ownership transfer. Subsequently, he went to Kola for “lunch and chit-chat with friends.”²³⁰ However, CCS notes that he had registered for the 3 March 2011 LTA auction and was given the bidder number of 958.²³¹ The auctioneer’s Schedule of vehicles for auction at LTA on 3 March 2011 was also found on Nichol Khoo at Kola, on which he had made several markings. He explained that the markings he made on the “Remarks” column were the “bidding price” he wanted to bid for the vehicles.²³²
169. CCS notes that the minimum bid prices listed in the auctioneer’s Schedule were significantly higher than the “bidding prices” noted by Nichol Khoo. For instance, his markings for Lot Numbers: 13, 17 and 19 were 300, 1500 and 400 respectively, in contrast to the minimum bid prices of \$910, \$10,000 and \$10,000²³³ respectively. CCS notes that Nichol Khoo would clearly not be able to seriously bid at the LTA public auction at the “bidding prices” that he had noted down. It can thus be reasonably inferred that Nichol Khoo had never intended to bid at the LTA public auction but only at the subsequent “private” auction at Kola, and that his behaviour is a result of Minsheng being part of the agreement/concerted practice to forebear from bidding against each other at the public auctions.

²²⁵ See Answers to Question 39 of George Lim’s Notes of Information/Explanation Provided dated 20 July 2011.

²²⁶ See Answers to Questions 86 – 97 of George Lim’s Notes of Information/Explanation Provided dated 30 September 2011.

²²⁷ See Answer to Question 39 of George Lim’s Notes of Information/Explanation Provided dated 20 July 2011.

²²⁸ See document marked “KKH-001” dated 3 March 2011 – Copy of Knight Frank’s Schedule of Vehicles on Auction for 3 March 2011 LTA Auction.

²²⁹ See Khoo Kia Hong Nichol’s Notes of Information/Explanation Provided dated 3 March 2011.

²³⁰ See Khoo Kia Hong Nichol’s Notes of Information/Explanation Provided dated 3 March 2011.

²³¹ See Knight Frank’s Registration Records of the Land Transport Authority’s Public Auctions dated 3 March 2011.

²³² See Khoo Kia Hong Nichol’s Notes of Information/Explanation Provided dated 3 March 2011.

²³³ See Document Marked as “KKH-001” dated 3 March 2011 – Copy of Knight Frank’s Schedule of Vehicles on Auction for 3 March 2011 LTA Auction.

170. CCS also notes that Nichol Khoo had marked down his bid prices on the auctioneer’s Schedule for vehicles that he wanted to bid for. CCS notes that these vehicles were not the same as those he had earlier mentioned in his NOI as those he was interested in. CCS therefore draws an adverse inference from the inconsistencies in Nichol Khoo’s NOI.
171. Chan recognised Nichol Khoo as Victor Khoo’s son. Chan had seen Nichol Khoo at “other auctions” such as “police and civil defence”, and also believed that Nichol Khoo was part of the agreement to forebear from bidding at the public auctions. Chan also said that Nichol Khoo was “already involved” when Chan joined the group²³⁴. George Lim²³⁵ positively identified Nichol Khoo as being a party to the agreement to forebear from bidding at LTA, Customs and SPF public auctions.

Documentary Evidence

Pang’s Motor and Minsheng

172. There is documentary evidence of a motor vehicle transfer agreement between Minsheng and Pang’s Motor for the purchase of a vehicle won by Steve Pang at the 1 September 2010 LTA auction. The vehicle was sold to Minsheng at the same price at which the vehicle was successfully won by Steve Pang at the auction.²³⁶ CCS also notes that Nichol Khoo was also registered for the 1 September 2010 LTA auction.

Name of Agency	Date	Make and Model	Registration Number
LTA	1 September 2010	Mercedes Benz	PA801K ²³⁷

173. LTA refund records showed that Pang’s Motor had applied for the security deposit to be released to Khoo Meng Sei in respect of the following vehicles which Pang’s Motor had won. For these

²³⁴ See Answers to Questions 156 – 166 of Chan Chiow Kwee’s Notes of Information/Explanation Provided dated 30 September 2011.

²³⁵ See Answers to Questions 158, 159, 160, 164, 165, 167 and 168 of George Lim’s Notes of Information/Explanation Provided dated 30 September 2011.

²³⁶ See Exhibit marked as PYS-029.

²³⁷ See Exhibit marked as PYS-029.

applications, Pang’s Motor had issued “authorisation” letters/notes authorising Khoo Meng Sei to receive the security deposit monies.

Name of Agency	Date	Make and Model	Registration Number
Customs	20 February 2009	Nissan Sunny motorcar	SFA5568U ²³⁸
SCDF	6 October 2010	Unknown	YH7051T ²³⁹

174. CCS notes that if Pang’s Motor had won the vehicles in the public auction, there was no reason for him to authorise the refund of the security deposits to Khoo Meng Sei (sole proprietor of Minsheng) or for Khoo Meng Sei to make the security deposits in the first place, especially since they should be competitors in the public auction. CCS is of the view that it can be reasonably inferred that Minsheng had won the vehicles at the “private” auction and was party to the agreement and/or concerted practice amongst the Parties to forbear from bidding against each other in public government auctions.

Surveillance

175. CCS notes that Victor Khoo was observed during surveillance, on 10 December 2010 at around 1605 hrs, to be distributing monies, in SGD 50 denominations, to some of the participants of the bidding process at Block 36 Sin Ming Drive. Victor Khoo was also seen to be part of the group participating in a “private” auction at Newton Hawker Centre after the 28 June 2010 Customs auction.
176. CCS finds that, on a balance of probabilities, the entirety of the evidence against Victor Khoo and Nichol Khoo shows that they were parties to the agreement/concerted practice among the Parties to forbear from bidding against each other at public auctions, and also on the Customs online public auctions. CCS notes that Minsheng’s written representations did not challenge the facts with regard to its liability as found in the PID.

PKS

177. Chan Chiow Kwee (“Chan”), a partner of PKS, was present at Kola on 3 March 2011.

²³⁸ See LTA records with Security Deposit Receipt No. VT194343.

²³⁹ See LTA records with Security Deposit Receipt No. VT205385.

NOIs

178. Chan admitted that he had participated in an agreement for the forbearance to bid at LTA's public auctions: "Yes... This Ah Pang told me if I want to bid, I can carry on but he can beat my price. He told me I should let him get a lower price, then we can go out of the LTA office to have a second auction... Within Ah Pang's group, we agree not to bid each other out."²⁴⁰ Chan said that "sometime last year, Steve Pang approached me and asked me not to bid higher than him, so that we can have a second auction and I can get the vehicle at a lower price. Then I started going to the second auction whenever I am keen to buy vehicle."²⁴¹ Chan was shown a picture of Steve Pang and he confirmed that Ah Pang referred to Steve Pang.²⁴² Chan also said that "Ah Pang's group" consisted of "all those present at Kola."²⁴³
179. Chan acknowledged the benefit of having the agreement and said that "...Steve Pang told us not to bid higher so that we can get it lower at the second auction..."²⁴⁴ Chan was able to give a detailed description of the "private" auctions held at Kola immediately after the close of the LTA public auctions.²⁴⁵ According to Chan, "...Steve Pang's style is like Knight Frank. He will ask who wants to buy the cars and the starting bid for the second auction will be the winning bid at the LTA auction. Those interested in the cars will then put in their bids. The person who wins will be highest bidder in the second auction. The differences in prices between the second and LTA auction will be divided among those who are present at the second auction. For those who are not present, I am not sure if they will get a share of the difference. The person who gets the car during the second auction will get 2 shares of the difference because he came up with the money to buy the car. Besides the people in the usual group, sometimes people will just come in to sit it [*sic*] the second auction and they too will receive a share of the pool of money from the

²⁴⁰ See Answer to Question 18 of Chan Chiow Kwee's Notes of Information/Explanation Provided dated 20 July 2011

²⁴¹ See Answer to Question 23 of Chan Chiow Kwee's Notes of Information/Explanation dated 20 July 2011.

²⁴² See Answer to Question 19 of Chan Chiow Kwee's Notes of Information/Explanation Provided dated 20 July 2011

²⁴³ See Answer to Question 20 of Chan Chiow Kwee's Notes of Information/Explanation Provided dated 20 July 2011.

²⁴⁴ See Answer to Question 27 of Chan Chiow Kwee's Notes of Information/Explanation Provided dated 20 July 2011.

²⁴⁵ See Answers to Questions 21, 27 and 28 of Chan Chiow Kwee's Notes of Information/Explanation Provided dated 20 July 2011.

difference in prices. Steve Pang is the person who distributes the money.”²⁴⁶

180. Besides LTA’s public auctions, Chan said that the agreement also extended to other government agencies’ public auctions: “For SPF and Customs auctions, I confirmed that there are second auctions similar to those after the LTA auctions.”²⁴⁷
181. Ng Seng Guan recognised Chan and said that Chan did turn up for bidding at the auctions at Kola but was unclear about the specifics of the agreement that Chan has with Steve Pang.²⁴⁸
182. George Lim recognised Chan although he did not know Chan’s name. George Lim said that Chan attended auctions by SPF and Customs, and that Chan was part of the agreement to forebear from bidding at the public auctions, and that Chan was probably part of the agreement for “probably a year plus”.²⁴⁹ Toh Kim Zee also said that Chan was involved in the agreement not to bid for vehicles at LTA auctions and at other government auctions.²⁵⁰

Surveillance

183. Chan was observed by CCS’ surveillance to be a participant in the bidding process at Newton Food Centre on 6 October 2010. The auction at Newton Food Centre on 6 October 2010 was conducted by Steve Pang, and occurred after a SPF public auction at Hotel Royal, Newton Road.
184. Although Chan’s NOI dated 3 March 2011, 20 July 2011²⁵¹ and 30 September 2011²⁵² state that he is the sole proprietor of PKS since 15 July 2010, CCS notes that the ACRA records show that PKS is a

²⁴⁶ See Answer to Question 24 of Chan Chiow Kwee’s Notes of Information/Explanation dated 20 July 2011.

²⁴⁷ See Answer to Question 32 of Chan Chiow Kwee’s Notes of Information/Explanation Provided dated 20 July 2011.

²⁴⁸ See Answers to Questions 8, 11, 123, 124, 125, 129, 131 and 132 of Ng Seng Guan’s Notes of Information/Explanation Provided dated 12 October 2011.

²⁴⁹ See Answers to Questions 134 – 145 of George Lim’s Notes of Information/Explanation dated 30 September 2011.

²⁵⁰ See Answers to Questions 115 – 125 of Toh Kim Zee’s Notes of Information/Explanation dated 17 October 2011.

²⁵¹ See Answer to Question 2 of Chan Chiow Kwee’s Notes of Information/Explanation Provided dated 20 July 2011.

²⁵² See Designation under Information Provider’s Particulars of Chan Chiow Kwee’s Notes of Information/Explanation Provided dated 30 September 2011.

partnership between Chan and one Khoo Kia Heng Mauritz²⁵³ (“Mauritz Khoo”). Chan is also the manager of PKS. CCS also notes that, according to the LTA’s registration records for its public auctions dated 1 September 2010 and 1 December 2010, Chan registered himself as representing Zeng Shi Hardware Trading whereas Mauritz Khoo registered himself as representing PKS²⁵⁴. Chan explained that Zeng Shi Hardware Trading was his father’s company but the company had “closed after 1 December 2010”.²⁵⁵ Nonetheless, the evidence clearly shows that Chan had the capacity to represent PKS and did represent PKS for the infringing conduct, regardless of whether he held himself out as a sole proprietor or a partner of PKS. CCS finds that the elements of an agreement or, at the very least, of a concerted practice in breach of the section 34 prohibition have been made out against PKS. CCS notes that PKS’ written representations did not challenge the facts with regard to its liability as found in the PID.

Seng Guan

185. Ng Seng Guan (“Ng”), the sole proprietor of Seng Guan, was present at Kola Food Centre on the afternoon of 3 March 2011. Ng had also attended the public auction held earlier that afternoon at LTA’s Sin Ming premises.²⁵⁶

NOIs

186. Ng said that there was no prior discussion about any conduct or agreement for the 3 March 2011 LTA public auction, amongst the persons he knew who had attended the 3 March 2011 LTA auction. Nonetheless, Ng admitted that Steve Pang would usually be the one who bids at the public auction, and that Steve Pang had told the others not to bid at the public auction but instead buy the vehicles from him at a second auction.²⁵⁷ Ng admitted that he did not bid at the 3 March 2011 LTA auction because “if I bid, other interested parties would also bid and we might not be able to control the level of the bidding price. Hence Mr Pang or Steve Pang asked us not to

²⁵³ See ACRA Record for PKS Scrap Vehicle Centre dated 12 July 2011.

²⁵⁴ See Knight Frank’s Registration Records of the LTA’s Public Auctions dated 1 September 2010 and 1 December 2010.

²⁵⁵ See Answer to Question 13 of Chan Chiow Kwee’s Notes of Information/Explanation Provided dated 20 July 2011.

²⁵⁶ See Answer to Question 5 of Ng Seng Guan’s Notes of Information/ Explanation Provided dated 22 July 2011.

²⁵⁷ See Answer to Question 17 of Ng Seng Guan’s Notes of Information/ Explanation Provided dated 22 July 2011.

bid so that we will be the only one to bid...”²⁵⁸ Ng also said that he “had no choice but to follow this arrangement” as otherwise the bid prices would be driven up by Steve Pang trying to outbid him.²⁵⁹ According to Ng, the “arrangement” had been in place for at least 2 to 3 years.²⁶⁰ Ng also said that it was Steve Pang who usually informed the various members of the group to gather at Kola after the LTA public auction.²⁶¹

187. Ng was able to describe how the Kola “private” auctions operated.²⁶² According to Ng, Steve Pang would inform those present at Kola which vehicles were available for bidding and the prices of the vehicles. The bid prices at the “private” auction were usually above the prices at which the vehicles were obtained from the public auction. The highest bidder at the “private” auction wins the vehicle, and the “top up” amount (which, according to Ng, was the amount the winning bidder pays on top of the LTA auction price) would go into a common pool. If the final bid price was lower than the winning bid price at the LTA auction, the difference would also be taken from the common pool. Ng said that the monies in the pool were split among those present at the “private” auction. According to Ng, the bid winners at the “private” auction would receive two “shares” whereas the rest would get one “share”. Ng said that if he had bid at the public auction, Steve Pang would not allow him to bid at the “private” auction and that he would not get a share of the common pool.
188. Ng acknowledged the benefits of the agreement to forbear from bidding against each other during the public auctions. He said that “with the private bidding at Kola Food Centre, we do not need to compete at the LTA auction and we also do not want to go against the other people we know there by bidding competitively... Although we might need to compete at the second auction, even if we don’t get the car, we will still get a share of the money.”²⁶³

²⁵⁸ See Answers to Questions 9 and 10 of Ng Seng Guan’s Notes of Information/Explanation Provided dated 22 July 2011.

²⁵⁹ See Answer to Question 17 of Ng Seng Guan’s Notes of Information/Explanation Provided dated 22 July 2011.

²⁶⁰ See Answer to Question 25 (between Question 17 and 18) of Ng Seng Guan’s Information/Explanation Provided dated 22 July 2011.

²⁶¹ See Answer to Question 20 of Ng Seng Guan’s Notes of Information/Explanation Provided dated 22 July 2011.

²⁶² See Answers to Questions 19 and 21 of Ng Seng Guan’s Information/Explanation Provided dated 22 July 2011.

²⁶³ See Answer to Question 21 of Ng Seng Guan’s Notes of Information/Explanation Provided dated 22 July 2011.

189. Ng said that the “arrangement for bidding” at other public auctions of the SPF, Customs and NEA was similar to that for the LTA public auctions, i.e. the group would not bid against Steve Pang at these auctions, unless Steve Pang decided not to bid²⁶⁴, and that there would be a second auction after the public auction which would usually be held at Newton Food Circus.²⁶⁵
190. When asked for the identities of persons who had participated in the “private” auction at Kola, Andy Goh (Kiat Lee) said that he knew “the boss of Seng Guan Auto”, among others. Andy Goh said that he was able to identify these persons because he had bought vehicles from them.²⁶⁶ Kwek Yeong Meng (Seng Hup Huat) also named Ng, whom he called “Ah Ng” as one of the persons he knew who was present at the Kola “private” auction.²⁶⁷ Chan Chiow Kwee recognised Ng, and knows him as “Ah Guan”, and that Ng’s company is “Seng Guan”. Chan believed that Ng was involved in the agreement to forebear from bidding at public auctions, and that Ng was already “involved” when Chan joined the agreement. Chan also said that he saw Ng at “the other auctions” and also believed that Ng was involved in the agreement to forebear from bidding at the other public auctions.²⁶⁸ George Lim also recognised Ng, and “thinks” that Ng’s name and the name of Ng’s company is “Seng Guan”. George Lim stated that Ng was involved in the agreement to forebear from bidding at the LTA public auction, and also at other public auctions such as that by Customs. According to George Lim, Ng did not frequently attend the public auctions of other government agencies.²⁶⁹

²⁶⁴ See Answer to Question 34 of Ng Seng Guan’s Information/Explanation Provided dated 22 July 2011.

²⁶⁵ See Answer to Question 35 of Ng Seng Guan’s Notes of Information/Explanation Provided dated 22 July 2011.

²⁶⁶ See Answer to Question 21 of Andy Goh’s Information/Explanation Provided dated 3 March 2011, 7:45 pm.

²⁶⁷ See Answer to Question 34 of Kwek Yeong Meng’s Information/Explanation Provided dated 22 July 2011.

²⁶⁸ See Answers to Questions 57 to 67 of Chan Chiow Kwee’s Information/Explanation Provided dated 30 September 2011.

²⁶⁹ See Answers to Questions 62 to 73 of George Lim’s Information/Explanation Provided dated 30 September 2011.

Documentary Evidence

Pang's Motor and Seng Guan

191. There is documentary evidence of motor vehicle transfer agreements between Seng Guan and Pang's Motor for the purchase of motor vehicles won by Steve Pang at the following auctions:

Name of Agency	Date	Make and Model	Registration Number
LTA	1 December 2010	Nissan motorcar	BEF5833 ²⁷⁰
Customs	28 June 2010	Proton Waja motorcar	BGR3436 ²⁷¹
		Nissan Sentra motorcar	BGU8678 ²⁷²
Customs (Quotz online auction)	26 May 2010	Proton Saga motorcar	JFC1830 ²⁷³

192. CCS notes that Seng Guan registered for both the 1 December 2010 LTA auction as well as the 28 June 2010 Customs auction, and that Seng Guan bought the vehicles from Pang's Motor for the same amount as Pang's Motor's winning bids for these vehicles at the public auctions. For the 26 May 2010 Customs online auction, CCS notes that Seng Guan did not put in online bids for any of the vehicles which it eventually purchased from Pang's Motor. CCS notes that Ng could have submitted bids online for the vehicles that he eventually purchased from Pang's Motor. CCS is of the view that it was not mere coincidence that Seng Guan did not compete with Pang's Motor for the vehicles in question, but that this behaviour was a result of a deliberate agreement to forbear from bidding against each other.

²⁷⁰ See Exhibit marked as PYS-014.

²⁷¹ See Exhibit marked as SPYS-042.

²⁷² See Exhibit marked as SPYS-042.

²⁷³ See Exhibit marked as SPYS-037 and SPYS-039.

193. From LTA refund records, CCS notes that Pang’s Motor had applied to release the security deposit to Seng Guan in respect of the following vehicles which Pang’s Motor had won. For each application, Pang’s Motor had issued “authorisation” letters/notes for Seng Guan to receive the security deposit monies.

Name of Agency	Date	Make and Model	Registration Number
LTA	3 March 2010	Nissan	JEE9421 ²⁷⁴
	3 March 2011	Proton	JGP6696 ²⁷⁵
Customs		Proton	WMC8355 ²⁷⁶
	28 April 2009	Proton Waja motorcar	JGL7662 ²⁷⁷
		Proton Wira motorcar	JGC9168 ²⁷⁸
	28 July 2009	Proton Waja motorcar	MBA4508 ²⁷⁹
	28 September 2009	Proton Waja motorcar	WHV9631 (WKQ6671) ²⁸⁰
		Proton	JKQ5324 ²⁸¹
	24 November 2009	Proton Waja motorcar	JGP6381 ²⁸²
	27 April 2010	Kia Sorento motorcar	WPA7515 (WNH6299) ²⁸³

194. CCS notes that if Pang’s Motor had won the vehicles in the public auction, there was no reason for it to authorise the refund of the security deposits to Seng Guan or for Seng Guan to make the security deposits in the first place, especially since they should be competitors in the public auction. CCS is of the view that it can be reasonably inferred that Seng Guan had won the vehicles at the “private” auction and was party to the agreement and/or concerted practice amongst the Parties to forbear from bidding against each other in public government auctions.

²⁷⁴ See LTA records with Security Deposit Receipt No. VT194993.

²⁷⁵ See LTA records with Security Deposit Receipt No. VT205589.

²⁷⁶ See LTA records with Security Deposit Receipt No. VT205590.

²⁷⁷ See LTA records with Security Deposit Receipt No. VT194591.

²⁷⁸ See LTA records with Security Deposit Receipt No. VT194590.

²⁷⁹ See LTA records with Security Deposit Receipt No. VT194668.

²⁸⁰ See LTA records with Security Deposit Receipt No. VT194903.

²⁸¹ See LTA records with Security Deposit Receipt No. VT194902.

²⁸² See LTA records with Security Deposit Receipt No. VT194928.

²⁸³ See LTA records with Security Deposit Receipt No. VT195105.

Surveillance

195. CCS notes that surveillance of the group's activities showed Ng leaving the LTA's Sin Ming office premises on 1 December 2010, at around 1455 hrs, after the conclusion of the LTA public auction. Ng was also seen to be part of the group participating in a 'private' auction at Newton Hawker Centre and receiving monies from Andy Goh (Kiat Lee) on 28 June 2010 after the Customs auction.
196. In its written representations, Seng Guan submitted that the businesses of Pang's Motor and Seng Guan are at different levels of the distribution chain and the agreement between them should therefore benefit from the 'vertical agreement' exemption set out in paragraph 8 of the Third Schedule of the Act.
197. Paragraph 8(1) of the Third Schedule of the Act provides that a "vertical agreement" means any agreement entered into between 2 or more undertakings each of which operates, *for the purposes of the agreement*, at a different level of the production or distribution chain, and relating to the conditions under which the parties may purchase, sell or resell certain goods or services...". CCS is of the view that Pang's Motor and Seng Guan are both purchasers of motor vehicles at the public and "private" auctions and that the supplier of the said motor vehicles would be the relevant government agency. Accordingly, Pang's Motor and Seng Guan are at the same level of the production or distribution chain for the purposes of the agreement between them. Hence, the "vertical agreement" exemption from Section 34 does not apply.
198. CCS finds that the bidding behaviour of Ng, on behalf of Seng Guan, at the public auctions, coupled with documentary evidence – showing subsequent transfers of vehicles from Pang's Motor at the same price as the winning bid price at the public auctions, release of security deposit monies to Ng – is consistent with Ng's statements describing the agreement or concerted practice amongst the Parties to forebear from bidding against each other at the public auctions, and instead acquire the vehicles, and share in the spoils, at the "private" auction. CCS finds that the elements of an agreement or, at the very least, of a concerted practice in breach of the section 34 prohibition have been made out against Seng Guan.

Seng Hup Huat

199. Kwek Yeong Meng (“Kwek”), a partner at Seng Hup Huat, was present at Kola on 3 March 2011 and attended (but did not register at) the LTA public auction held earlier the same day. Kwek’s reason for not registering was because he was late²⁸⁴, but he also said that “...if I see many car dealers there, I will not register as a bidder because I do not want to bid and offend the other car dealers...”²⁸⁵

NOIs

200. Kwek said that he attended the LTA public auction because he “... wanted to buy the vehicles on auction”. However Kwek went on to buy the vehicles he was keen on, from Steve Pang, at the second “private” auction.²⁸⁶
201. The auctioneer’s Schedule for the 3 March 2011 LTA auction was found on Kwek at Kola. Kwek explained that the handwritten numbers next to the “Remarks” column in the Schedule were his notes of the winning bid amounts at the LTA auction, and the numbers next to those numbers were “...how much I would top up for the second auction. If I indicate ‘0’, it means that it has reached my budget.”²⁸⁷
202. Kwek denied that there was a formal agreement amongst the group to have only one person to bid throughout the public auction but conceded that “there is no incentive to compete with... Steve Pang, at the auction because he has more money and will outbid me anyway, so it is better to get the vehicle from him at the second auction...”²⁸⁸ He said this of the group of motor vehicle traders: “...we usually choose not [*sic*] compete with each other as it will only benefit the

²⁸⁴ See Answer to Question 8 of Kwek Yeong Meng’s Notes of Information/Explanation Provided dated 22 July 2011.

²⁸⁵ See Answer to Question 10 of Kwek Yeong Meng’s Notes of Information/Explanation Provided dated 22 July 2011.

²⁸⁶ See Answer to Question 13 of Kwek Yeong Meng’s Notes of Information/Explanation Provided dated 22 July 2011

²⁸⁷ See Answer to Question 13 of Kwek Yeong Meng’s Notes of Information/Explanation Provided dated 22 July 2011 and document marked as “KYM-002” dated 3 March 2011 – Copy of Knight Frank’s Schedule of Vehicles on Auction for 3 March 2011 LTA Auction.

²⁸⁸ See Answer to Question 19 of Kwek Yeong Meng’s Notes of Information/Explanation Provided dated 22 July 2011.

- supplier.”²⁸⁹ According to Kwek, Steve Pang was the one who “would win the most number of vehicles at the auctions.”²⁹⁰
203. Kwek said that it was from 2007 that he got to know that Steve Pang would re-auction the cars that Pang’s Motor had won at the public auctions, and that he had been buying from Steve Pang for the past three to four years.²⁹¹
204. Kwek was able to describe the process of the “private” auction. According to Kwek, Steve Pang would record the bids at the “private” auction, and the highest bidder would get the vehicle in question. The difference between the winning bid at the “private” auction and the LTA bid price paid by Steve Pang would be split between all who are present at the “private” auction. To illustrate what he meant, Kwek pointed to Lot 16 on the 3 March 2011 LTA auction Schedule – he had offered to “top up \$250” for the vehicle in Lot 16, but only needed to finally pay Steve Pang \$200 as he got a \$50 “rebate”. The \$200 that Kwek put in the pool would be “split amongst those present.”²⁹²
205. Kwek had been identified by Chan Chiow Kwee²⁹³ and George Lim²⁹⁴ as being a party to the agreement for the forbearance to bid at LTA’s public auctions. Ng Seng Guan recognised Kwek, and said that he had seen Kwek at Kola Food Centre bidding at the “private” auctions but Ng claimed that he did not know the specifics of the agreement between Kwek and Steve Pang.²⁹⁵ Toh Kim Zee²⁹⁶ said that Kwek was a party to the agreement for LTA, SCDF and Customs’ public auctions.

Documentary Evidence

²⁸⁹ See Answer to Question 32 of Kwek Yeong Meng’s Notes of Information/Explanation Provided dated 22 July 2011.

²⁹⁰ See Answer to Question 20 of Kwek Yeong Meng’s Notes of Information/Explanation Provided dated 22 July 2011.

²⁹¹ See Answers to Questions 19 & 20 of Kwek Yeong Meng’s Notes of Information/Explanation Provided dated 22 July 2011.

²⁹² See Answer to Question 25 of Kwek Yeong Meng’s Notes of Information/Explanation Provided dated 22 July 2011.

²⁹³ See Answers to Questions 2, 3, 4, 7 and 8 of Chan Chiow Kwee’s Notes of Information/Explanation Provided dated 30 September 2011.

²⁹⁴ See Answers to Questions 2, 4, 8, 9 and 10 of George Lim’s Notes of Information/Explanation Provided dated 30 September 2011.

²⁹⁵ See Answers to Questions 2, 3, 4, 8, 9 and 10 of Ng Seng Guan’s Notes of Information/Explanation Provided dated 12 October 2011.

²⁹⁶ See Answers to Questions 2, 3, 8, 9, 10 and 11 of Toh Kim Zee’s Notes of Information/Explanation Provided dated 17 October 2011.

Pang's Motor and Seng Hup Huat

206. There is record of a motor vehicle transfer agreement between Seng Hup Huat and Pang's Motor, for the purchase of the following vehicle by Seng Hup Huat from Pang's Motor.²⁹⁷ This vehicle was won by Steve Pang at the 20 September 2010 Customs online auction. CCS notes that the tax invoice from Pang's Motor to Seng Hup Huat for the vehicle was dated within two days of the close of the public auction, and that the transacted price was the same as the successful bid price made by Steve Pang at the public auction. CCS also notes that Seng Hup Huat (or Kwek) did not make any bids for the vehicle at the online auction, although he would have been free to do so.

Name of Agency	Date	Make and Model	Registration Number
Customs (Quotz online auction)	20 September 2010	Mercedes Vito motorcar	GU5616Y ²⁹⁸

207. Further, according to records provided by LTA, Pang's Motor applied for release of the security deposit, to Seng Hup Huat in respect of the following vehicles, won by Pang's Motor. Pang's Motor had issued "authorisation" letters/notes for Seng Hup Huat to receive the security deposit monies.

Name of Agency	Date	Make and Model	Registration Number
LTA	16 December 2009	Proton	JDW9686 ²⁹⁹
	3 March 2011	Proton Wira motorcar	JFM1486 ³⁰⁰
		Suzuki	SCM7651X ³⁰¹
Customs	28 July 2009	Kia Spectra motorcar	JKC8685 ³⁰²

²⁹⁷ See Exhibit marked as SPYS-066.

²⁹⁸ See Exhibit marked as SPYS-066.

²⁹⁹ See LTA records with Security Deposit Receipt No. VT194955.

³⁰⁰ See LTA records with Security Deposit Receipt No. VT205595.

³⁰¹ See LTA records with Security Deposit Receipt No. VT205594.

³⁰² See LTA records with Security Deposit Receipt No. VT194689.

Name of Agency	Date	Make and Model	Registration Number
	28 September 2009	Mitsubishi Space motorcar	SBV7639Y ³⁰³
		Honda Civic motorcar	SBV5754K ³⁰⁴
	27 April 2010	Mercedes Benz motorcar	SFX7423U ³⁰⁵
SCDF	6 October 2010	Unknown	QX4444Z ³⁰⁶
		Unknown	QX4445X ³⁰⁷

208. CCS notes that if Pang’s Motor had won the vehicles in the public auction, there was no reason for him to authorise the refund of the security deposits to Seng Hup Huat or for Seng Hup Huat to make the security deposits in the first place, especially since they should be competitors in the public auction. CCS is of the view that it can be reasonably inferred that Seng Hup Huat had won the vehicles at the “private” auction and was party to the agreement and/or concerted practice amongst the Parties to forbear from bidding against each other in public government auctions.

Surveillance

209. CCS’ surveillance showed that Kwek was amongst the group of participants in a “private” auction at Newton Hawker Centre on 28 June 2010, after the Customs public auction that day.
210. CCS finds that the elements of an agreement or, at the very least, of a concerted practice in breach of the section 34 prohibition have been made out against Seng Hup Huat. CCS has served the PID on Seng Hup Huat, receipt of which was duly acknowledged. However, Seng Hup Huat did not make any representations.

³⁰³ See LTA records with Security Deposit Receipt No. VT194844.

³⁰⁴ See LTA records with Security Deposit Receipt No. VT194845.

³⁰⁵ See LTA records with Security Deposit Receipt No. VT195110.

³⁰⁶ See LTA records with Security Deposit Receipt No. VT205394.

³⁰⁷ See LTA records with Security Deposit Receipt No. VT205396.

Tim Bock

211. George Lim, manager of Tim Bock Enterprise, registered for the LTA public auction on 3 March 2011 and was present at Kola on the same day.

NOIs

212. George Lim admitted that there was an “understanding with Steve Pang that I will not bid at the LTA auction, so as not to drive the prices up, but instead buy from him after the auction at the private auction in Kola Food Center.”³⁰⁸ He admitted that the agreement was for only one person to bid throughout the public auction, and that this “norm” only changed if Steve Pang “decides to stop bidding and we want to buy our own vehicles.”³⁰⁹ George Lim stated in his NOI that “a similar process as I have described for the LTA auctions takes place for the Customs auctions as well...”³¹⁰ However, George Lim clarified that when Customs moved to an online platform for its public auction of vehicles, only a smaller number of Parties would participate in the online public auctions – these would be Pang’s Motor (Steve Pang), Kiat Lee (Andy Goh), Minsheng (Victor Khoo) and himself³¹¹, as not all parties were computer literate.³¹² George Lim said that whenever there was an online auction “Steve will call some of us to allocate who to buy which vehicles from Customs online...”³¹³, “... Steve will tell us which vehicles to bid for and how much to bid at... if we do get the vehicles, Customs will inform us of our successful bid about three days after the auction... after that, Steve Pang will contact the group again to tell us the date and time to meet at Newton Hawker Centre...based on the same system as the LTA auction...”.
213. George Lim described the process of the “private” auction at Kola as follows:

³⁰⁸ See Answer to Question 14 of George Lim’s Notes of Information/Explanation Provided dated 3 March 2011, 4:15 pm.

³⁰⁹ See Answer to Question 24 of George Lim’s Notes of Information/Explanation Provided dated 20 July 2011.

³¹⁰ See Answer to Question 26 of George Lim’s Notes of Information/Explanation Provided dated 3 March 2011.

³¹¹ See Answer to Question 37 of George Lim’s NOI dated 3 March 2011, 6.30 p.m., and also clarification given in Answer to Question 39 of George Lim’s Notes of Information/Explanation Provided dated 20 July 2011.

³¹² See answer to Question 36 of George Lim’s NOI dated 3 March 2011, 6.30 p.m.

³¹³ See Answer to Question 36 of George Lim’s Notes of Information/Explanation Provided dated 20 July 2011.

“It starts after the LTA auction, Steve Pang has his own records of the prices transacted, and the vehicles available for the private auction. Steve pays for all the cars. Everyone in the group has an understanding to gather at Kola Food Centre after the LTA auction. Once Steve Pang arrives at the food centre, he will start the private auction. He does his own recording. For example, if Steve wins a bid for a vehicle at the LTA auction at \$10,000, the opening bid at the private auction will start at \$10,000. Let's say the final bid price at the private auction is \$15,000, \$5,000 is considered the "top-up" price. This top-up price is handed over to Steve Pang in cash on the spot, and is later distributed equally among those of the group present. Steve will later invoice the winner at the private auction, separately at the price won at the LTA auction, which is \$10,000 in the example. Steve will combine all the "top-up" prices of all the vehicles at the private auction, and divide this total amount among all the members present. In the event that no one in the group wants to bid at the starting private auction price, which is the LTA auction winning price, we will reverse the process. We will start to lower the bids until someone wants to take the vehicle. So let's say someone wins the vehicle at \$9,000 at the private auction, then the difference of \$1,000 will be taken from the "pool" of money from the combined "top-up" prices³¹⁴. For the online public auctions, George Lim said that although only a smaller number of the group would participate in the online bidding, “the rest of the group will also get a share of the combined “top-up”.”³¹⁵

214. Ng Seng Guan (Seng Guan) said that he knew George Lim and Lim Tim Bock (George Lim's father) both attended the LTA public auction on 3 March 2011 and also participated at the “private” auction on Kola that day³¹⁶, but claimed not to know the specifics of an agreement, if any, between Tim Bock and Pang's Motor. Toh Kim Zee said that “Tim Bock – usually the son, not the father” were

³¹⁴ See Answer to Question 23 of George Lim's Notes of Information/Explanation Provided dated 3 March 2011, 6.30 p.m.

³¹⁵ See Answer to Question 37 of George Lim's Notes of Information/Explanation Provided dated 20 July 2011.

³¹⁶ See Answers to Questions 12 & 29 of Ng Seng Guan's Notes of Information/Explanation dated 22 July 2011.

among those that “assist” Steve Pang.³¹⁷ Toh Kim Zee went on to say that Lim Tim Bock and his son George Lim were both involved in the agreement to forebear from bidding at public government auctions.³¹⁸ Chan Chiow Kwee was able to identify Lim Tim Bock and George Lim, and he believed that both were involved in the agreement to forebear from bidding at the public auctions.³¹⁹ CCS notes that George Lim sought to absolve his father (Lim Tim Bock) from involvement in the infringing agreement/conduct³²⁰, but CCS’ findings on liability is against the undertaking, Tim Bock Enterprise, and not against the individuals in Tim Bock Enterprise. CCS also notes that Lim Tim Bock has said that George Lim had the authority to act and speak for Tim Bock.³²¹

Documentary evidence

Pang’s Motor and Tim Bock

215. George Lim provided CCS with invoices³²² that Tim Bock had made out to Pang’s Motor for the sale of motor vehicles that were won by Tim Bock at Customs’ online (Quotz) auctions. These were invoices for vehicles with licence plate numbers SGX5314C, SGK5621J, SGT4518J, SJJ1928X, SFX3995L, SGG2370Z, SFT793T and SJE8310H auctioned between 26 May 2010 and 8 January 2011. From the bidding records, CCS notes that Pang’s Motor did not submit bids for any of the above listed vehicles which Tim Bock subsequently sold to Pang’s Motor, but instead submitted bids for other vehicles which were not contested by Tim Bock. CCS also notes that the prices of the above vehicles invoiced by Tim Bock to Pang’s Motor were the same as the winning bid price at which Tim Bock had secured the vehicles online.³²³

³¹⁷ See Answer to Question 26 of Toh Kim Zee’s Notes of Information/Explanation dated 21 July 2011.

³¹⁸ See Answer to Questions 33 to 43 and 104 to 114 of Toh Kim Zee’s Notes of Information/Explanation dated 17 October 2011.

³¹⁹ See Answers to Questions 46 to 56 and 123 to 133 of Chan Chiow Kwee’s Notes of Information/Explanation dated 30 September 2011.

³²⁰ See Answers to Questions 56 to 61 of George Lim’s Notes of Information/Explanation dated 30 September 2011.

³²¹ See Answer to Question 5 of Lim Tim Bock’s Notes of Information/Explanation dated 20 July 2011.

³²² Document marked as “GL-005” dated 3 March 2011 – Tax Invoices to Pang’s Motor Trading.

³²³ Bid Records of Customs’ Online Auctions from 6 May 2010 to 28 April 2011 provided by auctioneer Quotz Pte Ltd.

216. From the pattern of bidding deduced from the auction records, coupled with George Lim’s statements describing the “allocation” of vehicles between the Parties for online auctions, it can be reasonably inferred that the vehicles listed in paragraph 215 were part of those that had been “allocated” to, and won by, Tim Bock on the online auction, and subsequently sold off at the “private” auction to Pang’s Motor. In addition, the fact that the prices invoiced by Tim Bock to Pang’s Motor were the same as the online winning bid prices for the vehicles in question, is consistent with George Lim’s statement that any ‘top up’ amount would be settled in cash during the “private” auction and the remaining amount i.e. the winning bid price at the public auction, would be invoiced to the winner of the “private” auction.
217. CCS also notes from documents obtained from Pang’s Motor that there were several transfers of motor vehicles won by Steve Pang at public auctions to Tim Bock, and that the prices invoiced to Tim Bock by Pang’s Motor were the same as the winning prices at the public auctions. Tim Bock had registered for the public auctions in question. These transfers were for the following vehicles:

Name of Agency	Date	Make and Model	Registration Number
LTA	1 September 2010	Mercedes Benz motorcar	SLF1932U ³²⁴
	1 December 2010	Mercedes Benz motorcar	EQ9399S ³²⁵
Customs	28 June 2010	Toyota	JHC9900 ³²⁶
Customs (Quotz online auction)	7 May 2010	Toyota Wish motorcar	SFR3304M ³²⁷
		Toyota	JHS5094 ³²⁸

218. From LTA refund records, CCS also notes the possibility of vehicle transfers from Pang’s Motor to Tim Bock in respect of the following vehicles, as Pang’s Motor had applied for, and “authorised” the

³²⁴ See Exhibit marked as PYS-001.

³²⁵ See Exhibit marked as PYS-013.

³²⁶ See Exhibit marked as SPYS-044.

³²⁷ See Exhibit marked as SPYS-049.

³²⁸ See Exhibit marked as SPYS-050.

release of the security deposit monies to Tim Bock, for these vehicles won by Pang's Motor:

Name of Agency	Date	Make and Model	Registration Number
LTA	24 June 2009	Nissan Latio motorcar	SGZ480C ³²⁹
		Toyota Camry motorcar	WQJ3839 ³³⁰
Customs	20 February 2009	Toyota Wish motorcar	SGR5667R ³³¹
		Honda Odyssey motorcar	SGF6143S ³³²
		Toyota Picnic motorcar	SFV3258S ³³³
		Honda Civic motorcar	SBY5660G ³³⁴
	28 April 2009	Nissan Sunny motorcar	SGA9359T ³³⁵
		Toyota Wish motorcar	SFU7056L ³³⁶
	28 July 2009	Honda Stream motorcar	SGS2418H ³³⁷
	28 September 2009	Proton Gen motorcar	JKQ1710 /(PGJ8279) ³³⁸
	24 November 2009	Ria Naz van	NBL976 ³³⁹
		Toyota Camry motorcar	WKW1216 ³⁴⁰
		Toyota Harrier motorcar	WSH6629 ³⁴¹
	27 April 2010	Toyota Vios	SGX4950Y ³⁴²

³²⁹ See LTA records with Security Deposit Receipt No. VT194599.

³³⁰ See LTA records with Security Deposit Receipt No. VT194600.

³³¹ See LTA records with Security Deposit Receipt No. VT194535.

³³² See LTA records with Security Deposit Receipt No. VT194534.

³³³ See LTA records with Security Deposit Receipt No. VT194533.

³³⁴ See LTA records with Security Deposit Receipt No. VT194536.

³³⁵ See LTA records with Security Deposit Receipt No. VT194581.

³³⁶ See LTA records with Security Deposit Receipt No. VT194564.

³³⁷ See LTA records with Security Deposit Receipt No. VT194688.

³³⁸ See LTA records with Security Deposit Receipt No. VT194850.

³³⁹ See LTA records with Security Deposit Receipt No. VT194933.

³⁴⁰ See LTA records with Security Deposit Receipt No. VT194934.

³⁴¹ See LTA records with Security Deposit Receipt No. VT194935.

		motorcar	
		Toyota Hiace van	GN6541J ³⁴³
		Nissan Cefiro	WLG7809 ³⁴⁴
		motorcar	
SPF	5 August 2009	Nissan Sunny	QX4322S ³⁴⁵
		motorcar	
		Honda Civic	QX4289E ³⁴⁶
		motorcar	
		Honda Civic	QX4288H ³⁴⁷
		motorcar	
		Suzuki Baleno	QX4351H ³⁴⁸
		motorcar	
		Toyota Corolla	QX4421P ³⁴⁹
		motorcar	
		Toyota Corolla	QX4422L ³⁵⁰
		motorcar	
		Toyota Corolla	QX4369H ³⁵¹
		motorcar	
		Ford	QX4420S ³⁵²
		Mazda	QX4270H ³⁵³
		Honda Civic	QX4192A ³⁵⁴
		motorcar	
		Honda Odyssey	QX4382T ³⁵⁵
		motorcar	
	13 January 2010	Suzuki	SDY5552L ³⁵⁶
	26 January 2011	Honda Accord motorcar	SFK9555C ³⁵⁷

³⁴² See LTA records with Security Deposit Receipt No. VT195109.

³⁴³ See LTA records with Security Deposit Receipt No. VT195107.

³⁴⁴ See LTA records with Security Deposit Receipt No. VT195108.

³⁴⁵ See LTA records with Security Deposit Receipt No. VT194697.

³⁴⁶ See LTA records with Security Deposit Receipt No. VT194697.

³⁴⁷ See LTA records with Security Deposit Receipt No. VT194697.

³⁴⁸ See LTA records with Security Deposit Receipt No. VT194697.

³⁴⁹ See LTA records with Security Deposit Receipt No. VT194697.

³⁵⁰ See LTA records with Security Deposit Receipt No. VT194697.

³⁵¹ See LTA records with Security Deposit Receipt No. VT194697.

³⁵² See LTA records with Security Deposit Receipt No. VT194697.

³⁵³ See LTA records with Security Deposit Receipt No. VT194697.

³⁵⁴ See LTA records with Security Deposit Receipt No. VT194697.

³⁵⁵ See LTA records with Security Deposit Receipt No. VT194697.

³⁵⁶ See LTA records with Security Deposit Receipt No. VT194960.

³⁵⁷ See LTA records with Security Deposit Receipt No. VT205567.

219. CCS notes that if Pang's Motor had won the vehicles in the public auction, there was no reason for him to authorise the refund of the security deposits to Tim Bock or for Tim Bock to make the security deposits in the first place, especially since they should be competitors in the public auction. CCS is of the view that it can be reasonably inferred that Tim Bock had won the vehicles at the "private" auction and was party to the agreement/concerted practice amongst the Parties to forbear from bidding against each other in public government auctions.

Surveillance

220. Surveillance of the past activities of the Parties showed George Lim to be part of the group participating in a "private" auction at Newton Hawker Centre after the 28 June 2010 Customs auction.
221. CCS finds that the elements of an agreement or, at the very least, of a concerted practice in breach of the section 34 prohibition have been made out against Tim Bock. In its written representations, Tim Bock admitted liability in respect of the infringement as set out in the PID.

Yong Soon Heng

222. Yeo Kheng San ("Yeo"), the sole proprietor of Yong Soon Heng, was present at Kola on 3 March 2011, after the LTA public auction. He registered at the LTA auction but did not bid for the vehicles he was interested in.³⁵⁸

NOIs

223. Yeo claimed that he went to Kola for coffee³⁵⁹, but also said that "we" would proceed to Kola to "discuss about the LTA auction and ask each other why we did not bid."³⁶⁰
224. Although Yeo denied that there was any arrangement prior to the LTA public auction on 3 March 2011, he said that "we would not have outbid each other at the public auctions to avoid driving up the bid prices. Instead, we would distribute the vehicles among ourselves

³⁵⁸ See Answers to Questions 9, 11 and 12 in Yeo Kheng San's Notes of Information/Explanation Provided dated 3 March 2011, 8:10 p.m.

³⁵⁹ See Yeo Kheng San's Notes of Information/Explanation Provided dated 3 March 2011, 4:51 pm, and Answer to Question 15 of Yeo Kheng San's Notes of Information/Explanation Provided dated 3 March 2011, 8:10 pm.

³⁶⁰ See Answer to Question 14 of Yeo Kheng San's Notes of Information/Explanation Provided dated 3 March 2011, 8:10 pm.

for the same (or higher) price at the private meetings after the auction.”³⁶¹ Yeo denied that he participated in the “private” auction at Kola on 3 March 2011³⁶², but admitted that he used to participate in the post-public “private” auctions. According to Yeo, the “private” auction was an arrangement known within the group of known acquaintances in the motor vehicles trade, and had been in place for the “past 4 – 5 years”.³⁶³ For LTA auctions, the group would go to Kola, and for other auctions, the group would meet at nearby coffee shops.³⁶⁴

225. Yeo was able to describe the process at the “private” auction – the person who had won the most bids at the public auction would start it. According to Yeo, this person is usually Steve Pang. The starting price would be the winning bid price at the public auction, and the highest bidder at the “private” auction would get the vehicle in question and the receipt from the public auction to collect the vehicle and place a deposit.³⁶⁵ Yeo also said that the “price differential” between the winning bids at public and “private” actions would go into a “common pool” and would be shared equally among the group at the “private” auction.³⁶⁶ Yeo explained that anyone who attended the “private” auction would get a share of the common pool monies even if they did not attend the public auction.³⁶⁷ Yeo confirmed that the group had participated in similar “private” auctions in relation to public auctions of vehicles by Customs, SCDF and SPF.³⁶⁸
226. Soh Kok Meng (“Soh”), a former employee of Yeo, was also present with the group at Kola on 3 March 2011. He said that he was contacted by telephone by Yeo, to join Yeo at the “meeting” at Kola. Soh Kok Meng said that he would go to Kola to help Yeo record the prices of the cars that were auctioned by Pang’s Motor at Kola. Soh

³⁶¹ See Answer to Question 17 of Yeo Kheng San’s Notes of Information/Explanation Provided dated 3 March 2011, 8:10 p.m.

³⁶² See Answer to Question 22 of Yeo Kheng San’s Notes of Information/Explanation Provided dated 3 March 2011, 8:10 pm.

³⁶³ See Answers to Questions 17 & 37 of Yeo Kheng San’s Notes of Information/Explanation Provided dated 3 March 2011, 8:10 pm.

³⁶⁴ See Answer to Question 17 of Yeo Kheng San’s Notes of Information/Explanation Provided dated 3 March 2011, 8:10 pm.

³⁶⁵ See Answer to Question 32 of Yeo Kheng San’s Notes of Information/Explanation Provided dated 3 March 2011, 8:10 p.m.

³⁶⁶ See Answers to Questions 24, 25 & 32 of Yeo Kheng San’s Notes of Information/Explanation Provided dated 3 March 2011, 8:10 pm.

³⁶⁷ See Answer to Question 32 of Yeo Kheng San’s Notes of Information/Explanation Provided dated 3 March 2011, 8:10 pm.

³⁶⁸ See Answer to Question 38 of Yeo Kheng San’s Notes of Information/Explanation Provided dated 3 March 2011, 8:10 pm.

had a copy of the auction schedule³⁶⁹ for the LTA 3 March 2011 auction, on which he had made handwritten notations. According to Soh, the numbers noted down were the amounts that individuals at Kola were willing to pay for the cars that were purchased at the LTA auction.³⁷⁰ Soh said that Steve Pang would collect all the monies at the Kola auctions and give a share to those present at Kola.³⁷¹

227. Soh also said that auctions, similar to that held at Kola, had also been held at Newton Circus, following public auctions that were held at a hotel at Newton Road.³⁷²
228. CCS notes that Soh had not registered for any public auctions.
229. Chan Chiow Kwee recognised both Yeo Kheng San³⁷³ and Soh Kok Meng³⁷⁴ and said that he believed Yeo was a party to the agreement to forebear from bidding against each other in LTA, Customs and SPF public auctions.³⁷⁵ Chan Chiow Kwee said Soh was also involved in the agreement for LTA auctions, but had not seen him at the other public government auctions.³⁷⁶ Chan Chiow Kwee “thinks” that Soh works for Yeo.³⁷⁷ George Lim recognised and identified Yeo Kheng San to be a party to the agreement to forebear from bidding against each other during LTA, Customs and SPF public auctions.³⁷⁸ Yeo was also implicated by Toh Kim Zee as a party to the agreement to forebear from bidding at LTA, Customs and SCDF public auctions.³⁷⁹ Although George Lim was unsure whether Soh was involved in the agreement as well, he recognised Soh as Yeo’s

³⁶⁹ See Exhibit marked as SKM-002.

³⁷⁰ See Answer to Question 15 of Soh Kok Meng’s Notes of Information/Explanation Provided dated 22 July 2011.

³⁷¹ See Answer to Question 17 of Soh Kok Meng’s Notes of Information/Explanation Provided dated 22 July 2011.

³⁷² See Answers to Questions 22 & 23 of Soh Kok Meng’s Notes of Information/Explanation Provided dated 22 July 2011.

³⁷³ See Answers to Questions 178 and 180 of Chan Chiow Kwee’s Notes of Information/Explanation Provided dated 30 September 2011.

³⁷⁴ See Answers to Questions 112 and 114 of Chan Chiow Kwee’s Notes of Information/Explanation Provided dated 30 September 2011.

³⁷⁵ See Answers to Questions 183, 184, 186, 187 and 188 of Chan Chiow Kwee’s Notes of Information/Explanation Provided dated 30 September 2011.

³⁷⁶ See Answers to Questions 117, 118 and 120 of Chan Chiow Kwee’s Notes of Information/Explanation Provided dated 30 September 2011.

³⁷⁷ See Answer to Question 112 of Chan Chiow Kwee’s Notes of Information/Explanation Provided dated 30 September 2011.

³⁷⁸ See Answers to Questions 170, 172, 173, 176, 177, 179 and 180 of George Lim’s Notes of Information/Explanation Provided dated 30 September 2011.

³⁷⁹ See Answers to Questions 9, 11, 155, 156, 157, 158, 161, 162, 163 and 164 of Toh Kim Zee’s Notes of Information/Explanation Provided dated 17 October 2011.

worker.³⁸⁰ Ng Seng Guan recognised Yeo but was unclear about the specifics of the agreement that Yeo has with Steve Pang.³⁸¹

Documentary Evidence

Pang's Motor and Yong Soon Heng

230. According to refund records provided by LTA, Pang's Motor applied for and "authorised" the release of the security deposit to Yong Soon Heng, for the following vehicles that were won by Pang's Motor.

Name of Agency	Date	Make and Model	Registration Number
Customs	20 February 2009	Proton Waja motorcar	PGV3552 ³⁸²
		Proton Waja motorcar	JHM3648 ³⁸³
		Perodua Kancil motorcar	NBC3958 ³⁸⁴
		Proton Satria motorcar	JEJ7368 ³⁸⁵
	28 July 2009	Nissan Urvan van	GQ9918X ³⁸⁶
		Proton Waja motorcar	JGV8235 ³⁸⁷
		Proton Waja motorcar	JHL1883 ³⁸⁸
	24 November 2009	Nissan Serena van	JES3717 ³⁸⁹
		Cherokee Jeep motorcar	WEY9233 ³⁹⁰
		Proton Waja	WKX9479 ³⁹¹

³⁸⁰ See Answers to Questions 122, 124, 125, 126, 128, 129 and 131 of George Lim's Notes of Information/Explanation Provided dated 30 September 2011.

³⁸¹ See Answers to Questions 8, 11, 157, 159, 160, 161, 163, 164, 165, 166 and 167 of Ng Seng Guan's Notes of Information/Explanation Provided dated 12 October 2011.

³⁸² See LTA records with Security Deposit Receipt No. VT194513.

³⁸³ See LTA records with Security Deposit Receipt No. VT194513.

³⁸⁴ See LTA records with Security Deposit Receipt No. VT194513.

³⁸⁵ See LTA records with Security Deposit Receipt No. VT194513.

³⁸⁶ See LTA records with Security Deposit Receipt No. VT194669.

³⁸⁷ See LTA records with Security Deposit Receipt No. VT194669.

³⁸⁸ See LTA records with Security Deposit Receipt No. VT194669.

³⁸⁹ See LTA records with Security Deposit Receipt No. VT194941.

³⁹⁰ See LTA records with Security Deposit Receipt No. VT194942.

		motorcar	
		Mitsubishi	JDE7668 ³⁹²
		Pajero motorcar	
SPF	6 October 2010	Toyota Hiace minibus	PA2375K ³⁹³
		Ford Econ minibus	QX3773E ³⁹⁴
		Station Wagon Defender land rover	QX5120B ³⁹⁵

231. CCS notes that if Pang’s Motor had won the vehicles in the public auction, there was no reason for him to authorise the refund of the security deposits to Yeo Kheng San (Yong Soon Heng) or for Yeo Kheng San to make the security deposits in the first place, especially since they should be competitors in the public auction. CCS is of the view that it can be reasonably inferred that Yong Soon Heng had won the vehicles at the “private” auction and was party to the agreement and/or concerted practice amongst the Parties to forbear from bidding against each other in public government auctions.

Surveillance

232. Both Yeo and Soh had been seen, during CCS’ surveillance of the Parties’ activities, to be part of the group participating in a “private” auction at Newton Hawker Centre after the 28 June 2010 Customs auction.
233. CCS finds that, on a balance of probabilities, the elements of an agreement or, at the very least, of a concerted practice in breach of the section 34 prohibition have been made out against Yong Soon Heng. In its written representations, Yong Soon Heng did not challenge the facts of its liability as set out in the PID.

Kang San

234. CCS had also named Kang San Trading Company (“Kang San”) as one of the parties in its PID. Having considered the evidence in light of the representations made by Kang San after the issuance of the

³⁹¹ See LTA records with Security Deposit Receipt No. VT194943.

³⁹² See LTA records with Security Deposit Receipt No. VT194944.

³⁹³ See LTA records with Security Deposit Receipt No. VT205400.

³⁹⁴ See LTA records with Security Deposit Receipt No. VT205400.

³⁹⁵ See LTA records with Security Deposit Receipt No. VT205400.

PID, CCS concludes that there is insufficient evidence to find that Kang San is a party to the agreement in the terms as set out in the PID. Accordingly, CCS has presently decided not to make a finding of infringement of the section 34 prohibition against Kang San.

CHAPTER 3: INFRINGEMENT DECISION

235. CCS is satisfied that there is sufficient evidence to find that the 12 Parties listed at paragraph 1 have infringed the section 34 prohibition by entering into an agreement or, at the very least, a concerted practice to forbear from bidding against each other in public government auctions, with the object of preventing, restricting, or distorting competition at the public government auctions. CCS therefore issues this decision that the Parties have infringed the section 34 prohibition and to impose penalties on the Parties in respect of the aforesaid conduct.

CHAPTER 4: CCS' ACTION

236. CCS' action stated in this section is based on the matters set out in this ID.

A. Directions

237. Section 69(1) of the Act provides that where CCS has made a decision that an agreement has infringed the section 34 prohibition, it may give to such person as it thinks appropriate such directions as it considers appropriate to bring the infringement to an end. As the infringement has not ended, CCS hereby directs the Parties to terminate with immediate effect any agreement and/or concerted practice to forbear from bidding against each other in public government auctions.

B. Financial Penalties - General Points

238. Under section 69 of the Act, CCS may, where it has made a decision that an agreement has infringed the section 34 prohibition, impose on the Parties to that infringing agreement a financial penalty. CCS may impose a financial penalty only if it is satisfied that the infringement has been committed intentionally or negligently. The financial penalty may not exceed 10% of the turnover of the business of the undertaking in Singapore for each year of infringement, up to a maximum of three years.

239. As established in the *Pest Control Case*³⁹⁶, the *Express Bus Operators Case*³⁹⁷ and the *Electrical Works Case*³⁹⁸, the circumstances in which CCS might find that an infringement has been committed intentionally include the following:
- a) the agreement has as its object the restriction of competition;
 - b) the undertaking in question is aware that its action will be, or are reasonably likely to be, restrictive of competition but still wants, or is prepared, to carry them out; or
 - c) the undertaking could not have been unaware that its agreement or conduct would have the effect of restricting competition, even if it did not know that it would infringe the section 34 prohibition.
240. In *Appeals Nos. 1 and 2 of 2009*³⁹⁹, the Competition Appeal Board held that the parties who participated in the price-fixing agreements must have been aware, or could not have been unaware, that the agreements had the object or would have the effect of restricting competition.
241. The intention relates to the facts, not the law. Ignorance or a mistake of law is thus no bar to a finding of intentional infringement under the Act.
242. CCS is likely to find that an infringement of the section 34 prohibition has been committed negligently where an undertaking ought to have known that its agreement or conduct would result in a restriction or distortion of competition.⁴⁰⁰
243. CCS finds that bid-rigging is a serious infringement of the section 34 prohibition, which has as its object the restriction of competition, and is likely to have been, by its very nature, committed intentionally. Further, CCS considers that the Parties are no strangers to the trade and would have known that they are competitors and under normal circumstances would have to make their business decisions, including the submission of bids, independently. Further, they would have, or ought to have, known that the purpose of conducting auctions is to

³⁹⁶ [2008] SG CCS 1, at [355]

³⁹⁷ [2009] SG CCS 2, at [445]

³⁹⁸ [2010] SG CCS 4, at [282]

³⁹⁹ [2011] SGCAB 1 at paragraph 143.

⁴⁰⁰ See paragraphs 4.7 to 4.10 of *CCS Guidelines on Enforcement*.

ensure a competitive process in the award of items on auction. CCS finds that the Parties, by agreeing to forebear from bidding against each other at the public auctions, must have been aware that they would be depriving the beneficial owners of the vehicles (including the Government of the Republic of Singapore) as well as the auctioneers their proper share of the ultimate sales prices of items purchased at public government auctions and sold later for higher prices at “private” auctions. As the Court stated in *United States v Ronald Pook*⁴⁰¹, “[a]greeing not to bid is bid-rigging; keeping the prices lower than they would have been if competitive is price-fixing”, and the court could find no “credible evidence of pro-competitive effects of auction pooling”. CCS notes that there is no requirement to consider the actual effects in this case as bid-rigging, by its very nature, will be regarded as restricting competition appreciably⁴⁰², CCS is therefore satisfied that each Party intentionally or negligently infringed the section 34 prohibition.

244. CCS hereby imposes a financial penalty on each of the 12 Parties as set out in the following Section.

C. Calculation of Penalties

245. The *CCS Guidelines on the Appropriate Amount of Penalty* provides that in calculating the amount of penalty to be imposed, CCS will take into consideration the seriousness of the infringement, the turnover of the business of the undertaking in Singapore for the relevant product and geographic markets affected by the infringement (“the relevant turnover”) in the undertaking’s last business year, the duration of the infringement, aggravating and mitigating factors and other relevant factors such as deterrent value. CCS adopted this approach in the *Express Bus Operators Case*⁴⁰³ and proposes to similarly adopt this approach for the present case.
246. CCS notes that the European Commission and the OFT adopt similar methodologies in the calculation of penalties. The starting point is a base figure, which is worked out by taking a percentage or proportion of the relevant sales or turnover. A multiplier is applied for the duration of infringement and that figure is then adjusted to take into account factors such as deterrence and aggravating and mitigating considerations.

⁴⁰¹ 1988 U.S. Dist. LEXIS 3398

⁴⁰² See *CCS Guidelines on the Section 34 Prohibition*, paragraphs 3.2, 3.7 and 3.8

⁴⁰³ [2009] SGCCS 2 at [452] to [455].

247. The *CCS Guidelines on the Appropriate Amount of Penalty* also provides that the imposition of a financial penalty is discretionary⁴⁰⁴ and that the assessment of an appropriate penalty to be imposed for all types of infringement will depend on the facts of each case.⁴⁰⁵

(i) Seriousness of the Infringements and Relevant Turnover

248. For the purposes of this ID, CCS considers that the seriousness of the infringement and the relevant turnover of each undertaking would be taken into account. Where a party is unable or unwilling to provide information to determine its relevant turnover, CCS will impose a penalty that will reflect the seriousness of the infringement and with a view to deterring the undertaking as well as other undertakings from engaging in similar practices.⁴⁰⁶

249. CCS therefore sets the starting point for calculating the base penalty amount as a percentage rate of each undertaking's relevant turnover or as a percentage rate of a base amount. The relevant turnover in this case would be the turnover from the sale and/or rental of motor vehicles obtained by each of the parties from public government auctions.

250. In assessing the seriousness of the infringement, CCS will consider a number of factors, including the nature of the product, the structure of the market, the market share(s) of the undertaking(s) involved in the infringement and the effect on competitors and third parties. The impact and effect of the infringement on the market, direct or indirect, will also be an important consideration.⁴⁰⁷

251. The relevant turnover in the last business year will be considered when CCS assesses the impact and effect of the infringement on the market.⁴⁰⁸ The “last business year” is the business year preceding the date on which the decision of CCS is taken, or if figures are not available for that business year, the one immediately preceding it.⁴⁰⁹

⁴⁰⁴ See *CCS Guidelines on the Appropriate Amount of Penalty*, paragraph 1.7.

⁴⁰⁵ See *CCS Guidelines on the Appropriate Amount of Penalty*, paragraph 1.8.

⁴⁰⁶ See *CCS Guidelines on the Appropriate Amount of Penalty*, paragraph 1.6.

⁴⁰⁷ See *CCS Guidelines on the Appropriate Amount of Penalty*, paragraph 2.3.

⁴⁰⁸ See *CCS Guidelines on the Appropriate Amount of Penalty*, paragraph 2.4.

⁴⁰⁹ See Competition (Financial Penalties) Order 2007, paragraph 3 and *CCS Guidelines on the Appropriate Amount of Penalty*, paragraph 2.5.

252. The seriousness of the infringement may also depend on the nature of the infringement. CCS considers that the bid-rigging agreement in this case is a serious infringement of the Act.
253. Nature of the product - The focal products referred to in this ID are the motor vehicles (including but not limited to cars, vans, fire trucks, motorcycles and scooters) sold by way of public auctions by government agencies. The relevant geographic market is Singapore.
254. The motor vehicles auctioned by the government agencies vary in value (from S\$10 to more than S\$35,000), depending on the condition of the vehicles, the make and model, as well as the eventual disposal method (i.e. whether the vehicles can be re-registered and used on the roads or have to be exported or scrapped). While it is difficult for CCS to determine the exact extent of the bid-rigging infringements, it is CCS' view that from 2008, a conservative estimate of the number of vehicles affected by the infringements by the Parties is approximately 700 vehicles⁴¹⁰, which were vehicles won by Pang's Motor at the various public auctions from 2008 to 2011 based on records.
255. Structure of the market of the Parties - The Parties are involved in the motor vehicles industry either as used vehicles dealers, scrap metal dealers and/or vehicle rental companies.
256. Effect on customers, competitors and third parties - While it is difficult for CCS to precisely quantify the amount of loss caused to the beneficial owners of the vehicles (including the Government of the Republic of Singapore) that may be attributed to the bid-rigging infringements, CCS considers that the Parties' infringements created the false impression that the winning bids were actually the result of a fair and competitive bidding process. It meant that the five government agencies whose auctions were compromised as a result of the agreement and/or concerted practice were receiving lower bids for the motor vehicles than it would have received, had there been no agreement or concerted practice for the forbearance to bid during the auctions. In certain instances, the beneficial owners may be members of the public who may have received lower sales proceeds for vehicles which may have been sold by the government agencies on their behalf. For example, in respect of the LTA auctions of impounded vehicles, one of LTA's objectives in putting up the

⁴¹⁰ The number of vehicles was obtained from the winning bidders' records provided by the various government agencies.

vehicles for auctions was to recover any road tax arrears owed to them. The remaining proceeds after defraying for the arrears, pound fees and/or related costs would be returned to the respective owners of the impounded vehicles.⁴¹¹⁴¹² For auction houses that calculated their commissions based on the winning bids, the agreement and/or concerted practice was also likely to have harmed their revenue and profits as a result of the suppressed bids.⁴¹³

257. Having regard to all the circumstances, including the structure of the market and the representations by the Parties, CCS considers it appropriate, in the current case, to fix the starting point at [~~3~~] % of relevant turnover or base amount, whichever is higher, for each of the Parties. For the purposes of this ID, having taken into consideration, among other things, the relevant turnovers of the Parties, CCS sets the base amount to be [2] % of the Parties' total turnovers of the last business year.
258. *In Makers UK Limited v OFT*⁴¹⁴, which was subsequently applied in the *Pest Control Case*⁴¹⁵, the Competition Appeal Tribunal ("CAT"), in February 2007, approved the approach taken by the Office of Fair Trading ("OFT") to increase the penalty by £520,000 to act as an effective deterrent to Makers and to other undertakings that might consider engaging in collusive tendering. The OFT explained that it had arrived at the uplift based on the assessment of a "minimum deterrence threshold" ("MDT") applied to all the parties to the decision in order to determine whether there should be an uplift⁴¹⁶:

"132. The MDT depended on comparing the undertaking's turnover in the relevant market (used in the calculation of the starting figure at Step 1) with the undertaking's total turnover. The OFT considers that if the undertaking's turnover in the relevant market is less than 15 per cent of its total turnover, then the figure arrived at by Step 1 will not act as a sufficient deterrent. In such a case therefore the OFT calculates what the figure arrived at by Steps 1 and 2 would have been, if the undertaking concerned had derived 15 per cent of its total

⁴¹¹ See Notes of Meeting with LTA on 7 April 2011.

⁴¹² See section 30 of the Road Traffic Act.

⁴¹³ See Terms and Conditions for Appointment of Auctioneer provided by LTA and Customs.

⁴¹⁴ OFT's Decision No. CA98/01/2006; the CAT appeal decision can be found in [2007] CAT 11.

⁴¹⁵ See [2008] SG CCS 1, at [355]

⁴¹⁶ [2007] CAT 11.

turnover on the relevant market. An amount is then added at Step 3 to bring the overall figure up, broadly speaking, to that threshold figure.

133. *The OFT calculated that Makers was in a position where its Step 1 figure was insufficient to act as a deterrent in that its relevant turnover was much less than one per cent of its total turnover. If 15 per cent of Makers' total turnover of £69,678,000 had been derived from the relevant market then the figure resulting from the application of Steps 1 and 2 would have been £522,585. This figure is 0.75 per cent of the total turnover, which is the same as 5 per cent (which was the starting percentage used by the OFT at Step 1 for Makers) of 15 percent of the total turnover (on that basis £520,000 was added to the actual Step 1 figure of £6,500 in order to bring the total penalty at Step 3 up to the MDT)."*

259. The CAT held that the adoption of the MDT was an appropriate way in which to ensure that the overall figure of the penalty met the objective of deterrence and rejected Maker's assertion that the uplift of £520,000 was arbitrary or unjustified.

260. In the present case, CCS is of the view that if an undertaking's relevant turnover is less than [2]% of its total turnover; the figure would not act as a sufficient deterrent. In arriving at the [2]% MDT for the present case, CCS compared the proportion of relevant turnover to total turnover for those Parties who provided relevant turnover figures and found that it ranged from [0.61]% - [9.57]%, with the average being [3.00]% and thus is of the view that that [2]% would be sufficient. Therefore, for those Parties whose proportion of relevant turnover to total turnover is less than [2]% (including those who gave zero relevant turnovers), CCS would uplift it to [2]% and consider that as the base amount (i.e. proxy for relevant turnover) for the purposes of calculating financial penalties.

(ii) Duration of the Infringements

261. After calculating the base penalty sum, the next step is to consider whether this sum should be adjusted to take into account the duration of the infringement. The duration for which the Parties infringed the

section 34 prohibition will depend on when they became party to the agreement, and when they ceased to be party to the same. According to the *CCS Guidelines on the Appropriate Amount of Penalty*, an infringement over a part of a year may be treated as a full year for the purpose of calculating the duration of the infringement.⁴¹⁷

262. On the basis of the evidence, CCS considers that the agreement and/or concerted practice for the forbearance to bid against each other during public government auctions was in place since at least 2008. CCS notes that some of the Parties entered the agreement at different periods after 2008.
263. CCS is also mindful that unlike price fixing agreements, the agreement for bid-rigging is usually only in force for the period that the auction is held, in this case, the duration of the physical and online auctions. However, notwithstanding the above, CCS is of the view that the effects of the infringements were not restricted to the actual, usually very short, period during which the collusion took place. Once a motor vehicle has been awarded at the public auction following an anti-competitive bid, the anti-competitive effect is irreversible in relation to that bid and the infringements may have a potential knock-on effect in relation to the subsequent sale of the vehicle.
264. The duration of an infringement in a section 34 case is of importance in so far as it may have an impact on the penalty that may be imposed for that infringement.⁴¹⁸ For that purpose, CCS considers that each auction which was the subject of collusive tendering or bid-rigging amounts to a separate infringement and that none of the discrete incidents of collusive tendering or bid-rigging spanned more than a year, although most the Parties were implicated in more than one of the incidents.
265. Therefore, CCS considers that there should be no adjustments for duration in this case to any penalties to be imposed.

(iii) Aggravating and Mitigating Factors

266. At this next stage, CCS will consider the presence of aggravating and mitigating factors and make adjustments when assessing the amount

⁴¹⁷ See *CCS Guidelines on the Appropriate Amount of Penalty*, Paragraph 2.8

⁴¹⁸ See *CCS Guidelines on the Appropriate Amount of Penalty*, paragraphs 2.1, 2.7 and 2.8

of financial penalty⁴¹⁹, i.e. increasing the penalty where there are aggravating factors and reducing the penalty where there are mitigating factors. These points are considered in relation to each of the Parties.

267. CCS notes that the role of an undertaking as a leader in, or an instigator of, an infringement may be an aggravating factor.⁴²⁰ CCS considers that a merely passive or follower role in an infringement, whilst not being an aggravating factor, is also not a mitigating factor sufficient to justify a reduction in the penalty. In the present case, CCS finds that Pang’s Motor acted as a leader in the infringements by being the sole bidder at most of the auctions, by coordinating and playing a lead role in the second private auctions, as well as being responsible for handling the auction documentation and disbursement of the common pool monies to the other Parties.
268. While CCS notes that it had considered that it was appropriate to increase the penalties by multiples of 10% where a Party had committed two or more infringements in the *Pest Control* and *Electrical Works* cases, CCS is of the view that it would be more appropriate to increase the penalties by multiples of 5% in the present case. This is due to the structure of the auctions, including but not limited to the fact that the auctions are held frequently and in quick succession, which are determined administratively by the government agencies.

Number of Infringements	Increase in Penalties
1	None
2	5%
3	10%
4	15%
5	20%
6	25%

⁴¹⁹ See *CCS Guidelines on the Appropriate Amount of Penalty*, paragraph 2.10

⁴²⁰ See *CCS Guidelines on the Appropriate Amount of Penalty*, paragraph 2.11

7	30%
8	35%
9	40%
10	45%
11	50%
12, etc	55%, etc

(iv) Other Relevant Factors

269. CCS considers that the penalty may be adjusted as appropriate, to achieve policy objectives, such as general and specific deterrence against bid rigging. CCS will adjust the penalty if the penalty imposed against any of the Parties, after the various adjustments, is still insufficient to meet the objective of deterrence. In *Transtar Travel & Anor v. CCS, Appeal No.3 of 2009*⁴²¹, the CAB revised the financial penalty against Regent Star to \$10,000 to achieve the objective of deterrence.
270. CCS notes that this practice is in line with the position in other competition regimes. For instance, in the UK, the OFT’s “Guidance as to the Appropriate Amount of Penalty” adopts a similar approach.⁴²²

D. Penalty for Pang’s Motor

271. Starting point: Pang’s Motor was involved in the agreement and/or concerted practice to forbear from bidding against each other during public auctions by government agencies.
272. Pang’s Motor’s financial year commences on 1 January and ends on 31 December. Pang’s Motor’s relevant turnover figures for the sale and/or rental of motor vehicles obtained by way of public auctions by

⁴²¹, [2011] SGCAB 1 at paragraph 106.

⁴²² Paragraph 2.11 of the OFT’s Guidance as to the Appropriate Amount of Penalty

government agencies in Singapore for the financial year ending 31 December 2011 was S\$[REDACTED].⁴²³ [REDACTED].

273. CCS has analysed its findings regarding the seriousness of this infringement in accordance with paragraphs 248 to 257 above and fixed the starting point for Pang's Motor at [REDACTED]% of relevant turnover. The starting amount for Pang's Motor is therefore S\$[REDACTED].
274. Adjustment for duration: In accordance with paragraphs 261 to 265 above, CCS does not make any adjustment for duration.
275. Adjustment for aggravating and mitigating factors: As stated at paragraph 268 above, CCS will treat multiple infringements as an aggravating factor. In this regard, CCS sets out the dates on which Pang's Motor was registered for the respective auctions:

Name of Agency	Date	Bidder's Number	Name Registered Under
LTA	11 January 2008	362	Pang's Motor
	5 June 2008	706	Pang's Motor
	2 October 2008	978	Pang's Motor
	25 March 2009	665	Pang's Motor
	24 June 2009	139	Pang's Motor
	24 September 2009	416	Pang's Motor
	16 December 2009	434	Pang's Motor
	3 March 2010	544	Pang's Motor
	23 June 2010	619	Pang's Motor
	1 September 2010	617	Pang's Motor

⁴²³ Information provided by Pang's Motor on 27 Mar 2012 pursuant to the section 63 Notice issued by CCS dated 6 March 2012.

	1 December 2010	878	Pang's Motor
	3 March 2011	953	Pang's Motor
NEA	11 June 2008	15	Pang's Motor
	28 June 2010	26	Pang's Motor
Customs	31 January 2008	31	Pang's Motor
	27 March 2008	25	Pang's Motor
	26 May 2008	66	Pang's Motor
	23 September 2008	18	Pang's Motor
	20 February 2009	33	Pang's Motor
	28 April 2009	38	Pang's Motor
	28 July 2009	25	Pang's Motor
	28 September 2009	9	Pang's Motor
	24 November 2009	22	Pang's Motor
	27 January 2010	13	Pang's Motor
	27 April 2010	35	Pang's Motor
	28 June 2010	26	Pang's Motor
	25 October 2010	7	Pang's Motor
Customs (online Quotz auction)	6 May 2010	-	Pang's Motor
	7 May 2010	-	Pang's Motor

	26 May 2010	-	Pang's Motor
	27 May 2010	-	Pang's Motor
	24 June 2010	-	Pang's Motor
	25 June 2010	-	Pang's Motor
	19 August 2010	-	Pang's Motor
	20 August 2010	-	Pang's Motor
	16 September 2010	-	Pang's Motor
	20 October 2010	-	Pang's Motor
	29 November 2010	-	Pang's Motor
	6 January 2011	-	Pang's Motor
	15 February 2011	-	Pang's Motor
	24 February 2011	-	Pang's Motor
SCDF	9 April 2008	381	Pang's Motor
	9 September 2009	100	Pang's Motor
	6 October 2010	819	Pang's Motor
SPF	27 February 2008	390	Pang's Motor
	25 June 2008	738	Pang's Motor
	30 October 2008	41	Pang's Motor
	11 February 2009	848	Pang's Motor
	13 January 2010	482	Pang's Motor

5 May 2010	567	Pang's Motor
6 October 2010	819	Pang's Motor
26 January 2011	922	Pang's Motor

276. As Pang's Motor was involved in bid-suppression in connection with 52 infringements, CCS increases the penalty by 255%.
277. CCS considers Pang's Motor to have acted as a leader in the infringements by coordinating and playing a lead role in the second private auctions as well as being responsible for handling the auction documentation and disbursement of the common pool monies to the other Parties as stated at paragraphs 89 to 95. CCS increases the penalty by [X]%. After taking into account the aggravating and mitigating factors, the penalty has been adjusted upwards by [X]% to S\$50,733.00.
278. Adjustment for other factors: CCS considers that the figure of \$50,733.00 is sufficient to act as an effective deterrent to Pang's Motor and to other undertakings which may consider engaging in bid-rigging arrangements and will not be making adjustments to the penalty at this stage.
279. Adjustment to prevent maximum penalty being exceeded: The financial penalty of \$50,733.00 does not exceed the maximum financial penalty that CCS can impose in accordance with section 69(4) of the Act, i.e. S\$[X]. The financial penalty at the end of this stage is S\$50,733.00.
280. Representations by Pang's Motor in respect of penalty⁴²⁴ : Notwithstanding Pang's Motor's bare assertion that it had committed no "wrong doing" as set out in paragraph 113 above, Pang's Motor nevertheless offered to pay S\$10,000 as settlement for the infringement.
281. CCS has considered the representations and is of the view that it is not sufficient grounds for further reducing the penalty in view of Pang's Motor's role as a ringleader in the infringement and the number of infringements it was involved in.

⁴²⁴ Written representations by Pang's Motor dated 18 October 2012.

282. Accordingly, CCS does not consider any further reduction appropriate in the circumstances and imposes a financial penalty of S\$50,733.00 on Pang's Motor.

E. Penalty for Auto & Carriage

283. Starting point: Auto & Carriage was involved in the agreement and/or concerted practice to forbear from bidding against each other during public auctions by government agencies.

284. Auto & Carriage's financial year commences on 1 January and ends on 31 December. Auto & Carriage only responded with its total turnover and did not respond to CCS with its relevant turnover. As mentioned in paragraph 248, where a party is unable or unwilling to provide information to determine its relevant turnover, CCS will impose a penalty that will reflect the seriousness of the infringement and with a view to deterring the undertaking as well as other undertakings from engaging in similar practices⁴²⁵. In this regard and for reasons set out in paragraph 260, CCS will set [2]% of Auto & Carriage's total turnover for the last business year as the relevant turnover of Auto & Carriage. Thus, CCS will adopt the base amount of S\$[x] for the calculation of penalties.

285. CCS has analysed its findings regarding the seriousness of this infringement in accordance with paragraphs 248 to 257 above and fixed the starting point for Auto & Carriage at [x]% of the base amount. The starting amount for Auto & Carriage is therefore S\$[x].

286. Adjustment for duration: In accordance with paragraphs 261 to 265 above, CCS does not make any adjustment for duration.

287. Adjustment for aggravating and mitigating factors: As stated at paragraph 268 above, CCS will treat multiple infringements as an aggravating factor. In this regard, CCS sets out the dates on which Auto & Carriage was registered for the respective auctions:

Name of Agency	Date	Bidder's Number	Name Registered Under
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⁴²⁵ See *CCS Guidelines on the Appropriate Amount of Penalty*, paragraph 1.6.

288. As Auto & Carriage was involved in bid-suppression in connection with one infringement, CCS does not propose to increase the penalty for aggravating factors.
289. CCS notes that Auto & Carriage had failed to respond to the section 63 Notice dated 6 March 2012 requesting for financial information. The financial information requested was only obtained after repeated attempts to obtain the same, and only obtained partially by a further section 63 Notice and the exercise of CCS' powers under section 64 of the Act on 17 December 2012. Accordingly, in the absence of any mitigating factors, CCS does not propose to reduce the penalty for mitigating factors.
290. Adjustment for other factors: CCS considers that the figure of S\$[X] is not a significant sum in relation to Auto & Carriage to act as an effective deterrent to Auto & Carriage and to other undertakings which may consider engaging in bid-rigging agreements. Taking into consideration all the facts and circumstances of this case, CCS adjusts the penalty at this stage to S\$8,000.00.
291. Adjustment to prevent maximum penalty being exceeded: The financial penalty of S\$8,000.00 does not exceed the maximum financial penalty that CCS can impose in accordance with section 69(4) of the Act, i.e. S\$[X].
292. Representations by Auto & Carriage in respect of penalty: Auto & Carriage did not make any representations.
293. Accordingly, CCS does not consider any further reduction appropriate in the circumstances and imposes a financial penalty of S\$8,000.00 on Auto & Carriage.

F. Penalty for Gold Sun

294. Starting point: Gold Sun was involved in the agreement and/or concerted practice to forbear from bidding against each other during public auctions by government agencies.
295. Gold Sun's financial year commences on 1 January and ends on 31 December. Gold Sun only responded with its total turnover and did

not respond to CCS with its relevant turnover. As mentioned in paragraph 248, where a party is unable or unwilling to provide information to determine its relevant turnover, CCS will impose a penalty that will reflect the seriousness of the infringement and with a view to deterring the undertaking as well as other undertakings from engaging in similar practices⁴²⁶. In this regard and for reasons set out in paragraph 260, CCS will set [2]% of Gold Sun's total turnover for the last business year as the relevant turnover of Auto & Carriage. Thus, CCS will adopt the base amount of S\$[x] for the calculation of penalties.

296. CCS has analysed its findings regarding the seriousness of this infringement in accordance with paragraphs 248 to 257 above and fixed the starting point for Gold Sun at [x]% of the base amount. The starting amount for Auto & Carriage is therefore S\$[x].
297. Adjustment for duration: In accordance with paragraphs 261 to 265 above, CCS does not make any adjustment for duration.
298. Adjustment for aggravating and mitigating factors: As stated at paragraph 268 above, CCS will treat multiple infringements as an aggravating factor. In this regard, CCS sets out the dates on which Gold Sun was registered for the respective auctions:

Name of Agency	Date	Bidder's Number	Name Registered Under
LTA	25 March 2009	664	Gold Sun
	24 June 2009	140	Gold Sun
	24 September 2009	409	Gold Sun
	16 December 2009	432	Gold Sun

⁴²⁶ See *CCS Guidelines on the Appropriate Amount of Penalty*, paragraph 1.6.

	3 March 2010	539	Gold Sun
	23 June 2010	569	Gold Sun
	1 September 2010	631	Gold Sun
	1 December 2010	883	Gold Sun
	3 March 2010	939	Gold Sun
NEA	11 June 2008	18	Gold Sun
Customs	31 January 2008	40	Gold Sun
	26 May 2008	9	Gold Sun
SCDF	6 October 2010	803	Gold Sun
SPF	13 January 2010	470	Gold Sun
	6 October 2010	803	Gold Sun
	26 January 2011	916	Gold Sun

299. As Gold Sun was involved in bid-suppression in connection with 16 infringements, CCS increases the penalty by 75%. After taking into account the aggravating factors, the penalty has been adjusted upwards by [X] % to S\$[X].
300. CCS notes that Gold Sun had failed to respond to the section 63 Notice dated 6 March 2012 requesting for financial information. The financial information requested was only obtained after repeated

attempts to obtain the same, and only obtained partially by a further section 63 Notice and the exercise of CCS' powers under section 64 of the Act on 17 December 2012. Accordingly, in the absence of any mitigating factors, CCS does not propose to reduce the penalty for mitigating factors.

301. Adjustment for other factors: CCS considers that the figure of S\$[X] is not a significant sum in relation to Gold Sun to act as an effective deterrent to Gold Sun and to other undertakings which may consider engaging in bid-rigging agreements. Taking into consideration all the facts and circumstances of this case, CCS adjusts the penalty at this stage to S\$8,000.00.
302. Adjustment to prevent maximum penalty being exceeded: The financial penalty of S\$8,000.00 does not exceed the maximum financial penalty that CCS can impose in accordance with section 69(4) of the Act, i.e. S\$[X].
303. Representations by Gold Sun in respect of penalty: Gold Sun did not make any representations.
304. Accordingly, CCS does not consider any further reduction appropriate in the circumstances and imposes a financial penalty of S\$8,000.00 on Gold Sun.

G. Penalty for Hup Lee

305. Starting point: Hup Lee was involved in the agreement and/or concerted practice to forbear from bidding against each other during public auctions by government agencies.
306. Hup Lee's financial year commences on 1 January and ends on 31 December. Hup Lee's relevant turnover figures for the sale and/or rental of motor vehicles obtained by way of public auctions by government agencies in Singapore for the financial year ending 31 December 2011 was estimated at S\$[X].⁴²⁷ [X].
307. CCS has analysed its findings regarding the seriousness of this infringement in accordance with paragraphs 248 to 257 above and fixed the starting point for Hup Lee at [X]% of the base amount. The starting amount for Hup Lee is therefore S\$[X].

⁴²⁷ Information provided by Hup Lee on 20 March 2012 pursuant to the section 63 Notice issued by CCS dated 6 March 2012.

308. Adjustment for duration: In accordance with paragraphs 261 to 265 above, CCS does not make any adjustment for duration.
309. Adjustment for aggravating and mitigating factors: As stated at paragraph 268 above, CCS will treat multiple infringements as an aggravating factor. In this regard, CCS sets out the dates on which Hup Lee was registered for the respective auctions:

Name of Agency	Date	Bidder's Number	Name Registered Under
LTA	2 October 2008	768	Hup Lee
	24 June 2009	130	Hup Lee
	24 September 2009	410	Hup Lee
Customs	26 May 2008	24	Hup Lee
	20 February 2009	48	Hup Lee
	28 July 2009	33	Hup Lee
	27 April 2010	32	Hup Lee
SCDF	6 October 2010	823	Hup Lee
SPF	25 June 2008	730	Hup Lee

310. As Hup Lee was involved in bid-suppression in connection with 9 infringements, CCS increases the penalty by 40%.

311. CCS considers that Hup Lee was cooperative during the course of investigations. Accordingly, CCS reduces the penalty by [%]. After taking into account the aggravating and mitigating factors, the penalty has been adjusted upwards by [%] to S\$[%].
312. Adjustment for other factors: CCS considers that the figure of S\$[%] is not a significant sum in relation to Hup Lee to act as an effective deterrent to Hup Lee and to other undertakings which may consider engaging in bid-rigging agreements. Taking into consideration all the facts and circumstances of this case, CCS adjusts the penalty at this stage to S\$8,000.00.
313. Adjustment to prevent maximum penalty being exceeded: The financial penalty of S\$8,000.00 does not exceed the maximum financial penalty that CCS can impose in accordance with section 69(4) of the Act, i.e. S\$[%]. The financial penalty at the end of this stage is S\$8,000.00.
314. Representations made by Hup Lee in respect of penalty⁴²⁸: Hup Lee sought a reduction of the penalty citing its low turnover, small business and on compassionate grounds. Hup Lee further submitted that it did not intend to participate in any illegal activity and was not familiar with the prohibitions in the Act.
315. CCS has considered the representations and is of the view that it does not constitute sufficient grounds for further reducing the penalty as the amount would not adequately reflect the seriousness of the infringement and be of sufficient deterrence for Hup Lee. Accordingly, CCS does not consider any further reduction appropriate in the circumstances and imposes a penalty on S\$8,000.00 on Hup Lee.

H. Penalty for Kiat Lee Scrap Vehicles

316. Starting point: Kiat Lee Scrap Vehicles was involved in the agreement and/or concerted practice to forbear from bidding against each other during public auctions by government agencies.
317. Kiat Lee Scrap Vehicles' financial year commences on 1 October and ends on 31 September. Kiat Lee Scrap Vehicles' relevant turnover figures for the sale and/or rental of motor vehicles obtained by way

⁴²⁸ Written representations made by Hup Lee dated 3 October 2012 and 25 February 2013.

of public auctions by government agencies in Singapore for the financial year ending 31 September 2011 was S\$[REDACTED].⁴²⁹ [REDACTED].

318. CCS has analysed its findings regarding the seriousness of this infringement in accordance with paragraphs 248 to 257 above and fixed the starting point for Kiat Lee Scrap Vehicles at [REDACTED]% of relevant turnover. The starting amount for Kiat Lee Scrap Vehicles is therefore S\$[REDACTED].
319. Adjustment for duration: In accordance with paragraphs 261 to 265 above, CCS does not make any adjustment for duration.
320. Adjustment for aggravating and mitigating factors: As stated at paragraph 268 above, CCS will treat multiple infringements as an aggravating factor. In this regard, CCS sets out the dates on which Kiat Lee Scrap Vehicles was registered for the respective auctions:

Name of Agency	Date	Bidder's Number	Name Registered Under
LTA	11 January 2008	366	Kiat Lee Scrap Vehicles
	5 June 2008	975	Kiat Lee Scrap Vehicles
	2 October 2008	626	Kiat Lee Scrap Vehicles
	25 March 2009	660	Kiat Lee Scrap Vehicles
	24 June 2009	151	Kiat Lee Scrap Vehicles
	24 September 2009	424	Kiat Lee Scrap Vehicles

⁴²⁹ Information provided by Kiat Lee Scrap Vehicles on 20 March 2012 pursuant to the section 63 Notice issued by CCS dated 6 March 2012.

	23 June 2010	622	Kiat Lee Scrap Vehicles
	1 September 2010	647	Kiat Lee Scrap Vehicles
	1 December 2010	896	Kiat Lee Scrap Vehicles
	3 March 2011	963	Kiat Lee Scrap Vehicles
NEA	11 June 2008	11	Kiat Lee Scrap Vehicles
Customs	31 January 2008	36	Kiat Lee Scrap Vehicles
	26 May 2008	20	Kiat Lee Scrap Vehicles
	23 September 2008	20	Kiat Lee Scrap Vehicles
	25 November 2008	33	Kiat Lee Scrap Vehicles
	20 February 2009	53	Kiat Lee Scrap Vehicles
	28 April 2009	49	Kiat Lee Scrap Vehicles
	28 July 2009	40	Kiat Lee Scrap Vehicles
	28 September 2009	11	Kiat Lee Scrap Vehicles

	24 November 2009	26	Kiat Lee Scrap Vehicles
	27 January 2010	20	Kiat Lee Scrap Vehicles
	27 April 2010	36	Kiat Lee Scrap Vehicles
	28 June 2010	27	Kiat Lee Scrap Vehicles
SCDF	9 April 2008	385	Kiat Lee Scrap Vehicles
	9 September 2009	163	Kiat Lee Scrap Vehicles
	6 October 2010	827	Kiat Lee Scrap Vehicles
SPF	27 February 2008	928	Kiat Lee Scrap Vehicles
	25 June 2008	749	Kiat Lee Scrap Vehicles
	30 October 2008	45	Kiat Lee Scrap Vehicles
	11 February 2009	874	Kiat Lee Scrap Vehicles
	13 January 2010	514	Kiat Lee Scrap Vehicles
	5 May 2010	576	Kiat Lee Scrap Vehicles
	6 October	827	Kiat Lee Scrap

2010		Vehicles
26 January 2011	941	Kiat Lee Scrap Vehicles

321. As Kiat Lee Scrap Vehicles was involved in bid-suppression in connection with 34 infringements, CCS increases the penalty by 165%.
322. After taking into account the aggravating and mitigating factors, the penalty has been adjusted upwards by [X]% to S\$[X].
323. Adjustment for other factors: CCS considers that the figure of S\$[X] is not a significant sum in relation to Kiat Lee Scrap Vehicles to act as an effective deterrent to Kiat Lee Scrap Vehicles and to other undertakings which may consider engaging in bid-rigging agreements. Taking into consideration all the facts and circumstances of this case, CCS adjusts the penalty at this stage to S\$8,000.00.
324. Adjustment to prevent maximum penalty being exceeded: The financial penalty of S\$8,000.00 does not exceed the maximum financial penalty that CCS can impose in accordance with section 69(4) of the Act, i.e. S\$[X]. The financial penalty at the end of this stage is S\$8,000.00.
325. Representations by Kiat Lee Scrap Vehicles in respect of penalty⁴³⁰: Kiat Lee Scrap Vehicles sought a reduction on penalty on the grounds that it was not the ringleader and that it was ignorant of the fact that what they were doing was in infringement of the Act. Kiat Lee Scrap Vehicles also submitted that the provisional penalty represents about [X]% of Kiat Lee Scrap Vehicles' after-tax profits for the financial year 2011.
326. Further, Kiat Lee Scrap Vehicles requested for CCS to consider the number of vehicles purchased in the financial year 2011 as aggravating factors for multiple infringements instead of Kiat Lee Scrap Vehicles' registrations at the public auctions. In this regard, CCS considers the infringing conduct to be the agreement or, at the very least, a concerted practice to forbear from bidding against each other in public government auctions, As such, it would be appropriate to consider each separate auction in which there was an agreement as

⁴³⁰ Written representations made by Andy Goh dated 20 September 2012.

one infringement. In respect of Kiat Lee Scrap Vehicles' submission that it had been penalised twice for the same infringement, CCS notes that there is no overlap in the respective financial penalties imposed on Kiat Lee Scrap Vehicles and Kiat Lee Machinery as they are based on each party's relevant turnover for different motor vehicles.

327. CCS has considered the above representations and is of the view that it is not sufficient grounds for further reducing the penalty.
328. Accordingly, CCS does not consider any further reduction appropriate in the circumstances and imposes a financial penalty of S\$8,000.00 on Kiat Lee Scrap Vehicles.

I. Penalty for Kiat Lee Machinery

329. Starting point: Kiat Lee Machinery was involved in the agreement and/or concerted practice to forbear from bidding against each other during public auctions by government agencies.
330. Kiat Lee Machinery's financial year commences on 1 September and ends on 31 August. Kiat Lee Machinery's relevant turnover figures for the sale and/or rental of motor vehicles obtained by way of public auctions by government agencies in Singapore for the financial year ending 31 August 2011 was S\$[REDACTED].⁴³¹ [REDACTED].
331. CCS has analysed its findings regarding the seriousness of this infringement in accordance with paragraphs 248 to 257 above and fixed the starting point for Kiat Lee Machinery at [REDACTED]% of the base amount. The starting amount for Kiat Lee Machinery is therefore S\$[REDACTED].
332. Adjustment for duration: In accordance with paragraphs 261 to 265 above, CCS does not make any adjustment for duration.
333. Adjustment for aggravating and mitigating factors: As stated at paragraph 268 above, CCS will treat multiple infringements as an aggravating factor. In this regard, CCS sets out the dates on which Kiat Lee Machinery was registered for the respective auctions:

⁴³¹ Information provided by Kiat Lee Machinery on 20 March 2012 pursuant to the section 63 Notice issued by CCS dated 6 March 2012.

Name of Agency	Date	Bidder's Number	Name Registered Under
LTA	11 January 2008	367	Kiat Lee Machinery
	5 June 2008	976	Kiat Lee Machinery
	2 October 2008	625	Kiat Lee Machinery
	25 March 2009	661	Kiat Lee Machinery
	24 June 2009	152	Kiat Lee Machinery
	24 September 2009	425	Kiat Lee Machinery
	16 December 2009	445	Kiat Lee Machinery
	23 June 2010	623	Kiat Lee Machinery
	1 September 2010	648	Kiat Lee Machinery
NEA	11 June 2008	12	Kiat Lee Machinery
Customs	31 January 2008	37	Kiat Lee Machinery
	26 May 2008	22	Kiat Lee Machinery
	23	21	Kiat Lee

	September 2008		Machinery
	25 November 2008	34	Kiat Lee Machinery
	20 February 2009	54	Kiat Lee Machinery
	28 April 2009	51	Kiat Lee Machinery
	28 July 2009	41	Kiat Lee Machinery
	28 September 2009	12	Kiat Lee Machinery
	24 November 2009	25	Kiat Lee Machinery
	27 January 2010	21	Kiat Lee Machinery
	27 April 2010	37	Kiat Lee Machinery
	28 June 2010	28	Kiat Lee Machinery
Customs (Quotz online auction)	26 May 2010	-	Kiat Lee Machinery
	27 May 2010	-	Kiat Lee Machinery
	24 June 2010	-	Kiat Lee Machinery

	25 June 2010	-	Kiat Lee Machinery
	19 August 2010	-	Kiat Lee Machinery
	20 August 2010	-	Kiat Lee Machinery
	16 September 2010	-	Kiat Lee Machinery
	20 October 2010	-	Kiat Lee Machinery
	29 November 2010	-	Kiat Lee Machinery
	6 January 2011	-	Kiat Lee Machinery
	24 February 2011	-	Kiat Lee Machinery
SPF	27 February 2008	932	Kiat Lee Machinery
	25 June 2008	750	Kiat Lee Machinery
	30 October 2008	49	Kiat Lee Machinery
	11 February 2009	875	Kiat Lee Machinery
	13 January 2010	515	Kiat Lee Machinery

6 October 2010	828	Kiat Lee Machinery
26 January 2011	942	Kiat Lee Machinery

334. As Kiat Lee Machinery was involved in bid-suppression in connection with 40 infringements, CCS increases the penalty by 195%.
335. After taking into account the aggravating and mitigating factors, the penalty has been adjusted upwards by [§] % to S\$17,566.00.
336. Adjustment for other factors: CCS considers that the figure of \$17,566.00 is sufficient to act as an effective deterrent to Kiat Lee Machinery and to other undertakings which may consider engaging in bid-rigging arrangements and will not be making adjustments to the penalty at this stage.
337. Adjustment to prevent maximum penalty being exceeded: The financial penalty of S\$17,566.00 does not exceed the maximum financial penalty that CCS can impose in accordance with section 69(4) of the Act, i.e. S\$[§]. The financial penalty at the end of this stage is S\$17,566.00.
338. Representations by Kiat Lee Machinery in respect of penalty⁴³²: Kiat Lee Machinery, in its representations, asserted that in calculating the starting point of the penalty, the total turnover used for the calculation for the base amount, as set out in paragraph 249 above, should exclude portions which are not related to “vehicle sales in Singapore”.
339. In this regard, CCS notes that total applicable turnover is defined in the *Competition (Financial Penalties) Order 2007* as “the amounts derived from the undertaking from the sale of products and the provision of services falling within the undertaking’s ordinary activities in Singapore...” and does not exclude portions which are outside the relevant product market. CCS has also set out the reasons for using total turnover as calculation for the base amount in paragraphs 257 to 260 above.

⁴³² Written representations made by Andy Goh dated 20 September 2012.

340. Kiat Lee Machinery also sought a reduction in penalty on the grounds that it was “not the ringleader of the parties involved” and that it was ignorant of the fact that what they were doing was an infringement of the Act.
341. Further, Kiat Lee Machinery requested CCS to consider the number of vehicles purchased in the financial year 2011 as the aggravating factor for multiple infringements instead of Kiat Lee Machinery’s registrations at the public auctions. However, for reasons set out in paragraph 326, CCS does not find the request compelling and is unable to accede to the request.
342. CCS has considered all the above representations and is of the view that they are not sufficient grounds for further reducing the penalty.
343. Accordingly, CCS does not consider any further reduction appropriate in the circumstances and imposes a financial penalty of S\$17,566.00 on Kiat Lee Machinery.

J. Penalty for Minsheng

344. Starting point: Minsheng was involved in the agreement and/or concerted practice to forbear from bidding against each other during public auctions by government agencies.
345. Minsheng’s financial year commences on 1 January and ends on 31 December. Minsheng’s relevant turnover figures for the sale and/or rental of motor vehicles obtained by way of public auctions by government agencies in Singapore for the financial year ending 31 December 2011 was S\$[⌘].⁴³³ [⌘].
346. CCS has analysed its findings regarding the seriousness of this infringement in accordance with paragraphs 248 to 257 above and fixed the starting point for Minsheng at [⌘]% of the base amount. The starting amount for Minsheng is therefore S\$[⌘].
347. Adjustment for duration: In accordance with paragraphs 261 to 265 above, CCS does not make any adjustment for duration.
348. Adjustment for aggravating and mitigating factors: As stated at paragraph 268 above, CCS will treat multiple infringements as an

⁴³³ Information provided by Minsheng on 20 March 2012 pursuant to the section 63 Notice issued by CCS dated 6 March 2012.

aggravating factor. In this regard, CCS sets out the dates on which Minsheng was registered for the respective auctions:

Name of Agency	Date	Bidder's Number	Name Registered Under
LTA	21 January 2009	624	Minsheng
	25 March 2009	659	Minsheng
	24 June 2009	135	Minsheng
	24 September 2009	408	Minsheng
	3 March 2010	551	Minsheng
	23 June 2010	594	Minsheng
	1 September 2010	634	Minsheng
	1 December 2010	881	Minsheng
	3 March 2011	958	Minsheng
	NEA	11 June 2008	2
Customs	31 January 2008	60	Minsheng
	27 March 2008	47	Minsheng
	26 May	5	Minsheng

	2008		
	23 September 2008	5	Minsheng
	25 November 2008	5	Minsheng
	20 February 2009	25	Minsheng
	28 April 2009	25	Minsheng
	28 July 2009	10	Minsheng
	28 September 2009	5	Minsheng
	24 November 2009	3	Minsheng
	27 January 2010	3	Minsheng
	27 April 2010	12	Minsheng
	28 June 2010	7	Minsheng
Customs (Quotz online auction)	25 June 2010	-	Minsheng
SPF	25 June 2008	727	Minsheng
	30 October 2008	61	Minsheng

11 Feb 2009	37	Minsheng
5 August 2009	651	Minsheng
13 January 2010	453	Minsheng
5 May 2010	544	Minsheng
6 October 2010	801	Minsheng
26 January 2011	920	Minsheng

349. As Minsheng was involved in bid-suppression in connection with 32 infringements, CCS increases the penalty by 155%.
350. After taking into account the aggravating and mitigating factors, the penalty has been adjusted upwards by [X]% to S\$[X].
351. Adjustment for other factors: CCS considers that the figure of S\$[X] is not a significant sum in relation to Minsheng to act as an effective deterrent to Minsheng and to other undertakings which may consider engaging in bid-rigging agreements. Taking into consideration all the facts and circumstances of this case, CCS adjusts the penalty at this stage to S\$8,000.00.
352. Adjustment to prevent maximum penalty being exceeded: The financial penalty of S\$ S\$8,000.00 does not exceed the maximum financial penalty that CCS can impose in accordance with section 69(4) of the Act, i.e. S\$[X]. The financial penalty at the end of this stage is S\$8,000.00.
353. Representations made by Minsheng in respect of penalty⁴³⁴ : Minsheng sought a reduction of penalties on the grounds that they had suffered losses on the three units of vehicles they had bought from the “private” auction and that there was only marginal profit in the trade. Minsheng further submitted that the relevant legislation

⁴³⁴ Written representations made by Minsheng dated 12 October 2012

was only introduced in 2007 and that they were unaware that buying from the second auction was an offence.

354. CCS has considered the representations and is of the view that there are insufficient grounds for further reducing the penalty. Accordingly, CCS does not consider any further reduction appropriate in the circumstances and imposes a penalty on S\$ S\$8,000.00 on Minsheng.

K. Penalty for PKS

355. Starting point: PKS was involved in the agreement and/or concerted practice to forbear from bidding against each other during public auctions by government agencies.
356. PKS' financial year commences on 1 January and ends on 31 December. PKS' relevant turnover figures for the sale and/or rental of motor vehicles obtained by way of public auctions by government agencies in Singapore for the financial year ending 31 December 2011 was S\$[⌘].⁴³⁵ [⌘].
357. CCS has analysed its findings regarding the seriousness of this infringement in accordance with paragraphs 248 to 257 above and fixed the starting point for PKS at [⌘]% of the base amount. The starting amount for PKS is therefore S\$[⌘].
358. Adjustment for duration: In accordance with paragraphs 261 to 265 above, CCS does not make any adjustment for duration.
359. Adjustment for aggravating and mitigating factors: As stated at paragraph 268 above, CCS will treat multiple infringements as an aggravating factor. In this regard, CCS sets out the dates on which PKS was registered for the respective auctions:

Name of Agency	Date	Bidder's Number	Name Registered Under
LTA	1 September 2010	636	PKS
	1 December 2010	858	PKS
Customs	25 October 2010	5	PKS
	6 October 2010	811	PKS

⁴³⁵ Information provided by PKS on 21 Mar 2012 pursuant to the section 63 Notice issued by CCS dated 6 March 2012.

360. As PKS was involved in bid-suppression in connection with 5 infringements, CCS increases the penalty by 20%.
361. CCS considers that PKS was cooperative during the course of investigations. Accordingly, CCS reduces the penalty by [X]%. After taking into account the aggravating and mitigating factors, the penalty has been adjusted upwards by [X]% to S\$[X].
362. Adjustment for other factors: CCS considers that the figure of S\$[X] is not a significant sum in relation to PKS to act as an effective deterrent to PKS and to other undertakings which may consider engaging in bid-rigging agreements. Taking into consideration all the facts and circumstances of this case, CCS adjusts the penalty at this stage to S\$8,000.00.
363. Adjustment to prevent maximum penalty being exceeded: The financial penalty of S\$8,000.00 does not exceed the maximum financial penalty that CCS can impose in accordance with section 69(4) of the Act, i.e. S\$[X]. The financial penalty at the end of this stage is \$8,000.00.
364. Representations by PKS in respect of penalty⁴³⁶: PKS sought a reduction in penalty on the grounds that Chan Chiow Kwee had been cooperative throughout the investigations and that he was ignorant of the law. PKS also submitted that it did not benefit much from the agreement and the fact that Chan Chiow Kwee is the sole breadwinner of the family, including three young children and two aged parents.
365. CCS has already taken into consideration Chan Chiow Kwee's cooperation in setting out the penalty in paragraph 361 above. As for the rest of his representations, CCS considers bid-rigging a serious infringement of the Act and thus does not consider his reasons sufficient to merit a further reduction in penalty.
366. Accordingly, CCS does not consider any further reduction appropriate in the circumstances and imposes a financial penalty of S\$8,000.00 on PKS.

⁴³⁶ Written representations by PKS dated 18 October 2012.

L. Penalty for Seng Guan

367. Starting point: Seng Guan was involved in the agreement and/or concerted practice to forbear from bidding against each other during public auctions by government agencies.
368. Seng Guan's financial year commences on 1 January and ends on 31 December. Seng Guan's relevant turnover figures for the sale and/or rental of motor vehicles obtained by way of public auctions by government agencies in Singapore for the financial year ending 31 December 2011 was S\$[REDACTED].⁴³⁷ [REDACTED].
369. CCS has analysed its findings regarding the seriousness of this infringement in accordance with paragraphs 248 to 257 above and fixed the starting point for Seng Guan at [REDACTED]% of relevant turnover. The starting amount for Seng Guan is therefore S\$[REDACTED].
370. Adjustment for duration: In accordance with paragraphs 261 to 265 above, CCS does not make any adjustment for duration.
371. Adjustment for aggravating and mitigating factors: As stated at paragraph 268 above, CCS will treat multiple infringements as an aggravating factor. In this regard, CCS sets out the dates on which Seng Guan was registered for the respective auctions:

Name of Agency	Date	Bidder's Number	Name Registered Under
LTA	11 January 2008	360	Seng Guan
	5 June 2008	971	Seng Guan
	2 October 2008	738	Seng Guan
	21 January 2009	643	Seng Guan
	25 March 2009	656	Seng Guan
	24 June 2009	141	Seng Guan
	24 September 2009	413	Seng Guan
	16 December 2009	435	Seng Guan
	3 March 2010	543	Seng Guan
	23 June 2010	615	Seng Guan
	1 September 2010	635	Seng Guan
	1 December 2010	882	Seng Guan
	3 March 2011	950	Seng Guan

⁴³⁷ Information provided by Seng Guan on 30 March 2012 pursuant to the section 63 Notice issued by CCS dated 6 March 2012.

NEA	11 June 2008	10	Seng Guan
Customs	31 January 2008	34	Seng Guan
	27 March 2008	27	Seng Guan
	26 May 2008	23	Seng Guan
	23 September 2008	13	Seng Guan
	25 November 2008	30	Seng Guan
	20 February 2009	40	Seng Guan
	28 April 2009	30	Seng Guan
	28 July 2009	17	Seng Guan
	28 September 2009	18	Seng Guan
	24 November 2009	15	Seng Guan
	27 January 2010	19	Seng Guan
	27 April 2010	18	Seng Guan
	28 June 2010	19	Seng Guan
SCDF	9 April 2008	369	Seng Guan
SPF	27 February 2008	937	Seng Guan
	25 June 2008	711	Seng Guan
	30 October 2008	71	Seng Guan
	11 February 2009	847	Seng Guan
	13 January 2010	487	Seng Guan
	5 May 2010	554	Seng Guan
	26 January 2011	928	Seng Guan

372. As Seng Guan was involved in bid-suppression in connection with 35 infringements, CCS increases the penalty by 170%.
373. CCS considers that Ng Seng Guan was cooperative during the course of investigations. Accordingly, CCS reduces the penalty by [X]%. After taking into account the aggravating and mitigating factors, the penalty has been adjusted upwards by [X]% to S\$[X].
374. Adjustment for other factors: CCS considers that the figure of S\$[X] is not a significant sum in relation to Seng Guan to act as an effective deterrent to Seng Guan and to other undertakings which may consider engaging in bid-rigging agreements. Taking into consideration all the facts and circumstances of this case, CCS adjusts the penalty at this stage to S\$8,000.00.
375. Adjustment to prevent maximum penalty being exceeded: The financial penalty of S\$8,000.00 does not exceed the maximum financial penalty that CCS can impose in accordance with section 69(4) of the Act, i.e. S\$[X]. The financial penalty at the end of this stage is S\$8,000.00.

376. Representations made by Seng Guan in respect of penalty⁴³⁸: Seng Guan sought a reduction of financial penalties on two grounds. First, Seng Guan had followed the arrangement led by Steve Pang without knowing that it was an offence and it would be difficult for him to get his supplies from Steve Pang should he not participate in the arrangement. Secondly, Seng Guan indicated that the financial penalty exceeded the maximum financial penalty that CCS can impose, i.e. 10% of such turnover of Seng Guan's business in Singapore for each year of infringement, up to a maximum of three years.
377. As set out above, CCS has determined that the financial penalty does not exceed the maximum financial penalty that CCS can impose in accordance with section 69(4) of the Act, i.e. S\$[X].
378. Accordingly, CCS does not consider any further reduction appropriate in the circumstances and imposes a financial penalty of S\$8,000.00 on Seng Guan.

M. Penalty for Seng Hup Huat

379. Starting point: Seng Hup Huat was involved in the agreement and/or concerted practice to forbear from bidding against each other during public auctions by government agencies.
380. Seng Hup Huat's financial year commences on 1 January and ends on 31 December. Seng Hup Huat's relevant turnover figures for the sale and/or rental of motor vehicles obtained by way of public auctions by government agencies in Singapore for the financial year ending 31 December 2011 was S\$[X]⁴³⁹. [X].
381. CCS has analysed its findings regarding the seriousness of this infringement in accordance with paragraphs 248 to 257 above and fixed the starting point for Seng Hup Huat at [X]% of the base amount. The starting amount for Seng Hup Huat is therefore S\$[X].
382. Adjustment for duration: In accordance with paragraphs 261 to 265 above, CCS does not make any adjustment for duration.

⁴³⁸ Written representations made by Seng Guan dated 16 October 2012

⁴³⁹ Information provided by Seng Hup Huat on 17 December 2012 pursuant to the section 63 and 64 Notices issued by CCS dated 17 December 2012.

383. Adjustment for aggravating and mitigating factors: As stated at paragraph 268 above, CCS will treat multiple infringements as an aggravating factor. In this regard, CCS sets out the dates on which Seng Hup Huat was registered for the respective auctions:

Name of Agency	Date	Bidder's Number	Name Registered Under
LTA	11 January 2008	372	Seng Hup Huat
	24 June 2009	148	Seng Hup Huat
Customs	26 May 2008	7	Seng Hup Huat
	23 September 2008	41	Seng Hup Huat

384. As Seng Hup Huat was involved in bid-suppression in connection with 4 infringements, CCS increases the penalty by 15%. After taking into account the aggravating factors, the penalty has been adjusted upwards by [X]% to S\$[X].

385. CCS notes that Seng Hup Huat had failed to respond to the section 63 Notice dated 6 March 2012 requesting for financial information. The financial information requested was only obtained after repeated attempts to obtain the same, and only finally obtained by a further section 63 Notice and the exercise of CCS' powers under section 64 of the Act on 17 December 2012. Accordingly, in the absence of any mitigating factors, CCS does not propose to reduce the penalty for mitigating factors.

386. Adjustment for other factors: CCS considers that the figure of S\$[X] is not a significant sum in relation to Seng Hup Huat to act as an effective deterrent to Seng Hup Huat and to other undertakings which may consider engaging in bid-rigging agreements. Taking into consideration all the facts and circumstances of this case, CCS adjusts the penalty at this stage to S\$8,000.00.

387. Adjustment to prevent maximum penalty being exceeded: The financial penalty of S\$8,000.00 does not exceed the maximum financial penalty that CCS can impose in accordance with section 69(4) of the Act, i.e. S\$[X].

388. Representations by Seng Hup Huat in respect of penalty: Seng Hup Huat did not make any representations.
389. Accordingly, CCS does not consider any further reduction appropriate in the circumstances and imposes a financial penalty of S\$8,000.00 on Seng Hup Huat.

N. Penalty for Tim Bock

390. Starting point: Tim Bock was involved in the agreement and/or concerted practice to forbear from bidding against each other during public auctions by government agencies.
391. Tim Bock’s financial year commences on 1 January and ends on 31 December. Tim Bock’s relevant turnover figures for the sale and/or rental of motor vehicles obtained by way of public auctions by government agencies in Singapore for the financial year ending 31 December 2011 was S\$[REDACTED].⁴⁴⁰ [REDACTED].
392. CCS has analysed its findings regarding the seriousness of this infringement in accordance with paragraphs 248 to 257 above and fixed the starting point for Tim Bock at [REDACTED]% of relevant turnover. The starting amount for Tim Bock is therefore S\$[REDACTED].
393. Adjustment for duration: In accordance with paragraphs 261 to 265 above, CCS does not make any adjustment for duration.
394. Adjustment for aggravating and mitigating factors: As stated at paragraph 268 above, CCS will treat multiple infringements as an aggravating factor. In this regard, CCS sets out the dates on which Tim Bock was registered for the respective auctions:

Name of Agency	Date	Bidder’s Number	Name Registered Under
LTA	11 January 2008	361	Tim Bock
	5 June 2008	979	Tim Bock
	2 October 2008	633	Tim Bock
	21 January 2009	651	Tim Bock
	25 March 2009	672	Tim Bock

⁴⁴⁰ Information provided by Tim Bock on 27 March 2012 pursuant to the section 63 Notice issued by CCS dated 6 March 2012.

	24 June 2009	142	Tim Bock
	23 June 2010	585	Tim Bock
	1 September 2010	643	Tim Bock
	1 December 2010	856	Tim Bock
	3 March 2011	948	Tim Bock
Customs	31 January 2008	47	Tim Bock
	27 March 2008	32	Tim Bock
	26 May 2008	28	Tim Bock
	23 September 2008	47	Tim Bock
	25 November 2008	37	Tim Bock
	20 February 2009	34	Tim Bock
	28 April 2009	57	Tim Bock
	28 July 2009	37	Tim Bock
	28 September 2009	23	Tim Bock
	24 November 2009	27	Tim Bock
	27 January 2010	26	Tim Bock
	27 April 2010	26	Tim Bock
	28 June 2010	24	Tim Bock
Customs (Quotz online auction)	6 May 2010	-	Tim Bock
	7 May 2010	-	Tim Bock
	26 May 2010	-	Tim Bock
	27 May 2010	-	Tim Bock
	24 June 2010	-	Tim Bock
	25 June 2010	-	Tim Bock
	19 August 2010	-	Tim Bock
	20 August 2010	-	Tim Bock
	16 September 2010	-	Tim Bock
	20 October 2010	-	Tim Bock
	29 November 2010	-	Tim Bock
	6 January 2011	-	Tim Bock
	15 February 2011	-	Tim Bock
	24 February 2011	-	Tim Bock
SCDF	9 September 2009	175	Tim Bock
	6 October 2010	833	Tim Bock
SPF	27 February 2008	400	Tim Bock
	25 June 2008	756	Tim Bock
	30 October 2008	51	Tim Bock

11 February 2009	863	Tim Bock
5 May 2010	570	Tim Bock
26 January 2011	923	Tim Bock

395. As Tim Bock was involved in bid-suppression in connection with 45 infringements, CCS increases the penalty by 220%.
396. CCS considers that Tim Bock was cooperative during the course of investigations. Accordingly, CCS reduces the penalty by [X]%. After taking into account the aggravating and mitigating factors, the penalty has been adjusted upwards by [X]% to S\$37,795.00.
397. Adjustment for other factors: CCS considers that the figure of \$37,795.00 is sufficient to act as an effective deterrent to Tim Bock and to other undertakings which may consider engaging in bid-rigging arrangements and will not be making adjustments to the penalty at this stage.
398. Adjustment to prevent maximum penalty being exceeded: The financial penalty of S\$37,795.00 does not exceed the maximum financial penalty that CCS can impose in accordance with section 69(4) of the Act, i.e. S\$[X]. The financial penalty at the end of this stage is S\$37,795.00.
399. Representations made by Tim Bock in respect of penalty⁴⁴¹: Tim Bock has sought a reduction of financial penalties on two grounds. First, that the current infringement was of a different category from “bid-rigging” cases as it was a case where a purchaser was trying to reduce its cost of supplies and the agreement had the ultimate aim of reduction of costs of businesses, with the effect of reducing costs and ultimately costs to consumers. As such, it was Tim Bock’s submission that the base penalty for the current case should be set at a much lower level than that of other “bid rigging” cases. In this regard, Tim Bock had requested CCS to consider, whether as a matter of policy, there should be a study into the net economic benefit where the type of infringement sought to be prevented involved a collaboration to reduce costs.
400. Secondly, Tim Bock submitted that in regard to the Quotz cases, the number of undertakings in combination was much smaller and hence the “distortion” or “restriction” of the market was clearly much less

⁴⁴¹ Written representations made by Lee Chai & Boon on behalf of Tim Bock dated 9 October 2012.

and urged CCS to consider reducing the percentage increase of the financial penalty to a percentage below 5% for Quotz cases or alternatively disregard the Quotz cases. Tim Bock also highlighted that it had clearly co-operated and revealed honestly the four undertakings which were involved which would have saved CCS substantial time and effort in its investigation in relation to the Quotz cases.

401. Tim Bock further submitted that the number of incidences for Quotz cases was calculated wrongly. Instead of 14 instances of participation at the Customs Quotz auctions, Tim Bock submitted that there was only one auction on consecutive dates, i.e. the auction dates stated to be 6 May 2010 and 7 May 2010 were actually one auction day only, 26 May 2010 and 27 May 2010 were actually one auction day only, 24 and 25 June 2010 were actually one auction day only, 19 and 20 August 2010 were only one auction day only. The reason for consecutive days being stated was due to the computer system templates.
402. CCS has, in paragraphs 41 to 61 above, set out its assessment leading to its conclusion that the bid suppression arrangement entered into between the undertakings in this case has the object of preventing, restricting and/or distorting competition in Singapore, and accordingly, it is not necessary for CCS to demonstrate any consequential anti-competitive conduct. Tim Bock has asserted that the base penalty for the current case should be set at a much lower level than that of other “bid rigging” cases as this was a case where a purchaser was trying to reduce its cost of supplies and the agreement had the aim of reduction of costs of businesses and ultimately with the effect of reducing costs to consumers. However, no evidence has been proffered by Tim Bock to establish that these costs reductions eventually passed on to the consumers.
403. In respect of Tim Bock's request to CCS to consider conducting a study into the net economic benefit of the current case, CCS is of the view that while the Section 34 prohibition shall not apply to any agreement with net economic benefit⁴⁴², any undertaking claiming the benefit of this exclusion shall bear the burden of proving that the conditions relating thereto have been satisfied⁴⁴³. To this end, Tim Bock had not adduced any evidence to discharge the burden of proof.

⁴⁴² Paragraph 9 of the Third Schedule of the Act.

⁴⁴³ Regulation 21(a) of the Competition Regulations 2007.

404. In respect of the Quotz cases, notwithstanding the fewer number of parties involved, the bid-suppression arrangement had an anti-competitive object and it therefore cannot be disregarded or be treated any differently from the bid-suppression arrangement in relation to the public government auctions. CCS has also already taken into consideration Tim Bock's co-operation as a mitigating factor in paragraph 396.
405. CCS disagrees that there is only one auction on consecutive dates. Records of the Quotz auctions on the aforementioned consecutive dates show that the public auctions on each of the dates, including consecutive dates, that Tim Bock was registered were for different batches of vehicles, and accordingly each has to be regarded as a separate infringement.
406. Accordingly, CCS does not consider any further reduction appropriate in the circumstances and imposes a financial penalty of S\$37,795.00 on Tim Bock.

O. Penalty for Yong Soon Heng

407. Starting point: Yong Soon Heng was involved in the agreement and/or concerted practice to forbear from bidding against each other during public auctions by government agencies.
408. Yong Soon Heng's financial year commences on 1 January and ends on 31 December. Yong Soon Heng's relevant turnover figures for the sale and/or rental of motor vehicles obtained by way of public auctions by government agencies in Singapore for the financial year ending 31 December 2009 was estimated at S\$[REDACTED].⁴⁴⁴ [REDACTED].
409. CCS has analysed its findings regarding the seriousness of this infringement in accordance with paragraphs 248 to 257 above and fixed the starting point for Yong Soon Heng at [REDACTED]% of relevant turnover. The starting amount for Yong Soon Heng is therefore S\$[REDACTED].
410. Adjustment for duration: In accordance with paragraphs 261 to 265 above, CCS does not make any adjustment for duration.

⁴⁴⁴ Information provided by Yong Soon Heng on 21 Mar 2012 pursuant to the section 63 Notice issued by CCS dated 6 March 2012.

411. Adjustment for aggravating and mitigating factors: As stated at paragraph 268 above, CCS will treat multiple infringements as an aggravating factor. In this regard, CCS sets out the dates on which Yong Soon Heng was registered for the respective auctions:

Name of Agency	Date	Bidder's Number	Name Registered Under
LTA	11 January 2008	356	Yong Soon Heng
	5 June 2008	398	Yong Soon Heng
	2 October 2008	636	Yong Soon Heng
	21 January 2009	641	Yong Soon Heng
	25 March 2009	671	Yong Soon Heng
	24 June 2009	144	Yong Soon Heng
	24 September 2009	422	Yong Soon Heng
	16 December 2009	437	Yong Soon Heng
	3 March 2010	550	Yong Soon Heng
	23 June 2010	573	Yong Soon Heng
	1 September 2010	644	Yong Soon Heng
	1 December 2010	890	Yong Soon Heng
	3 March 2011	954	Yong Soon Heng
	NEA	11 June 2008	9
28 June 2010		29	Yong Soon Heng
Customs	31 January 2008	19	Yong Soon Heng
	27 March 2008	28	Yong Soon Heng
	26 May 2008	13	Yong Soon Heng
	23 September 2008	42	Yong Soon Heng
	25 November 2008	16	Yong Soon Heng
	20 February 2009	37	Yong Soon Heng
	28 April 2009	52	Yong Soon Heng
	28 July 2009	35	Yong Soon Heng
	28 September 2009	24	Yong Soon Heng
	24 November 2009	2	Yong Soon Heng
	27 January 2010	27	Yong Soon Heng
27 April 2010	39	Yong Soon Heng	
SCDF	9 April 2008	949	Yong Soon Heng
	9 September 2009	170	Yong Soon Heng

	6 October 2010	845	Yong Soon Heng
SPF	27 February 2008	387	Yong Soon Heng
	25 June 2008	725	Yong Soon Heng
	30 October 2008	77	Yong Soon Heng
	11 February 2009	867	Yong Soon Heng
	13 January 2010	488	Yong Soon Heng
	5 May 2010	564	Yong Soon Heng
	6 October 2010	845	Yong Soon Heng
	26 January 2011	929	Yong Soon Heng

412. As Yong Soon Heng was involved in bid-suppression in connection with 38 infringements, CCS increases the penalty by 185%.
413. After taking into account the aggravating and mitigating factors, the penalty has been adjusted upwards by [~~38~~]% to S\$8,977.00.
414. Adjustment for other factors: CCS considers that the figure of \$8,977.00 is sufficient to act as an effective deterrent to Yong Soon Heng and to other undertakings which may consider engaging in bid-rigging arrangements and will not be making adjustments to the penalty at this stage.
415. Adjustment to prevent maximum penalty being exceeded: The financial penalty of \$8,977.00 does not exceed the maximum financial penalty that CCS can impose in accordance with section 69(4) of the Act, i.e. S\$[~~38~~]. The financial penalty at the end of this stage is S\$8,977.00.
416. Representations by Yong Soon Heng in respect of penalty⁴⁴⁵: Yong Soon Heng submitted that it had ceased operations of its business and its sole proprietor then, Yeo Kheng San, is now retired and has no income.
417. CCS has considered the representations and is of the view that it does not constitute sufficient grounds for further reducing the penalty. Accordingly, CCS does not consider any further reduction appropriate in the circumstances and imposes a penalty on S\$8,977.00 on Yong Soon Heng.

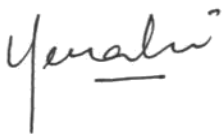
⁴⁴⁵ Written representations by Yong Soon Heng dated 29 September 2012.

P. Conclusion on Penalties

418. In conclusion, pursuant to section 69(2)(d) of the Act, CCS has decided to impose the following financial penalties on the Parties:

Undertaking	Financial Penalty
Pang's Motor Trading	S\$50,733.00
Auto & Carriage Engineering	S\$8,000.00
Gold Sun Motor Vehicle Charter & Rental	S\$8,000.00
Hup Lee Second Hand Auto Parts	S\$8,000.00
Kiat Lee Scrap Vehicles Centre Pte Ltd	S\$8,000.00
Kiat Lee Machinery Pte Ltd	S\$17,566.00
Minsheng Agencies	S\$8,000.00
PKS Scrap Vehicle Centre	S\$8,000.00
Seng Guan Auto Parts	S\$8,000.00
Seng Hup Huat Second Hand Auto Parts	S\$8,000.00
Tim Bock Enterprise	S\$37,795.00
Yong Soon Heng Auto Parts	S\$8,977.00
Total	S\$179,071.00

419. All Parties must pay their respective penalties to the Commission by no later than 5 p.m. on 28 May 2013. If any of the Parties fail to pay the penalty within the deadline specified above, and no appeal within the meaning of the Act against the imposition, or the amount, of a financial penalty has been brought or such appeal has been unsuccessful, the Commission may apply to register the direction to pay the penalty in a District Court. Upon registration, the direction shall have the same force and effect as an order originally obtained in a District Court and can be executed and enforced accordingly.



Yena Lim
Chief Executive
Competition Commission of Singapore

ANNEX 1

Typical process for public auctions⁴⁴⁶

Date of auction

Payment of winning bid to auctioneer (can choose to pay 1/4 as deposit but full payment has to be made the next day)
(by winning bidder)

Within 2 – 4 weeks
from date of auction

1) Security deposit of 2 times the winning bid (usually) made to LTA
(security deposit receipt made out in the name of winning bidder. LTA is flexible and will accept the security deposits made by third parties as long as undertaking is furnished by winning bidder)

2) Sign an undertaking to LTA
(signed by winning bidder)

Within 2 – 4 weeks
from date of auction

Release of vehicles from pound
(by anyone who can produce the letter of release by LTA)

Within 1 month from
date of auction

1) Show proof to the Registrar of Vehicles that these vehicles have been removed
(can be anyone, subject to authorisation by winning bidder)

2) Application for refund of security deposit
(can be anyone, subject to authorisation by winning bidder)

⁴⁴⁶ Information collated from the General Conditions of Sale of an auction notice by Knight Frank and from LTA.