

COMPETITION ACT 2010

Undertaking by the Malaysia Indian Hairdressing Saloon Owners Association
(Reg No. 698) to the Competition Commission

Persons giving this undertaking

This undertaking is given to the Competition Commission ('the Commission') by the Malaysia Indian Hairdressing Saloon Owners Association (Reg No.698) ('MIHSOA') of No.67A Jalan Landak Off Jalan Pudu, 55100 Kuala Lumpur for the purposes of section 43 of the Competition Act 2010 ('the Act').

Background

- (2) The MIHSOA is an association registered under section 7 of the Societies Act 1966 (Act 335) on 3 July 2001 with Registration Number 698. The MIHSOA's address is at No.67A, Jalan Landak Off Jalan Pudu, 55100 Kuala Lumpur. The MIHSOA members consist of owners and operators, aged 18 and above, who operate barber shops in Malaysia.
- (3) Member enterprises of the MIHSOA provide haircut services to their clients in order to enhance their appearance. Their services include shampooing, trimming, cutting and styling hair. Some barbers will offer scalp treatments, fit hairpieces and provide face shaving for clientele consisting mostly of men.
- (4) On 1 February 2013, the former Chairman of the MIHSOA, the late Mr. K.Kaviarasan issued a statement which was published in major newspapers in Malaysia that the member enterprises of the MIHSOA in a meeting dated 30 January 2013 had decided to raise the price of haircut services by RM 2.00 effective 1 February 2013. In his statement, the late Mr. K.Kaviarasan said that the MIHSOA will enforce the decision to increase haircut services by RM2.00 and will not hesitate to take action against those member enterprises who fail to follow the decision of the said meeting.

- (5) Following the statement made in the major newspapers, the Commission conducted an investigation on this matter. The results of the investigation revealed that the MIHSA member enterprises including its committee members had engaged in an anti-competitive practice by entering into a horizontal agreement that had the object to fix the price of haircut services offered by them and thereby infringing section 4(2)(a) of the Act.

Commencement of undertaking

- (6) This undertaking comes into effect when:
- (i) the undertaking is executed by the MIHSA and its member enterprises; and
 - (ii) the Commission accepts the undertaking so executed.
- (7) Upon the commencement of this undertaking, the MIHSA and its member enterprises undertake to assume the obligations set out in paragraph 8 below.

Undertaking

- (8) The MIHSA and its member enterprises undertake that it will:
- (i) Conduct an Emergency General Meeting ('the EGM') with an agenda to withdraw the decision made on 30 January 2013 that the members of the MIHSA will raise the price of haircut services by RM 2.00 effective 1 February 2013; and
 - (ii) Direct and ensure that each of its member enterprises including the current committee members of the MIHSA do not engage in any anti-competitive conduct in the future.

Acknowledgments

- (9) The MIHSA acknowledges that:
- (i) as per section 43(3) of the Act, the Commission will make this Undertaking available for public inspection by publishing it on the Commission's website at www.mycc.gov.my;

**J PERSATUAN PENGUSAHA
JURUGAYA RAMBUT
INDIA MALAYSIA** (Reg. No. 698)

மலேசிய இந்தியர் சிகை அலங்கார நிலைய உரிமையாளர்கள் சங்கம்

No. 67A, Jalan Landak, Off Jalan Pudu, 55100 Kuala Lumpur Tel : 03-9226 2300 E-mail : ppjrim@gmail.com

- (ii) the Commission will, from time to time, make public reference to the Undertaking including in news media statements and in the Commission's publications; and
- (iii) this Undertaking in no way derogates the rights and remedies available to any other person arising from the alleged conduct.

Executed by

The Malaysia Indian Hairdressing Saloon Owners Association (Reg No. 698)
on behalf of its member enterprises



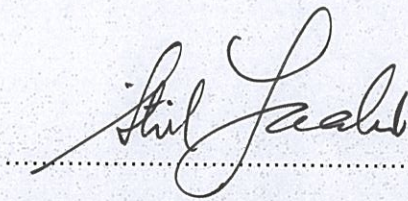
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President/Secretary

Name: UTAMMAN A/L PONNUSWAMY
I/C Number: 511011-08-5439

PERSATUAN PENGUSAHA JURUGAYA
RAMBUT INDIA MALAYSIA
NO: 67A, JALAN LANDAK
OFF JALAN PUDU
55100 KUALA LUMPUR

This.....30.....day of January 2014

ACCEPTED BY THE COMPETITON COMMISSION.



.....
Tan Sri Dato' Seri Siti Norma Yaakob
Chairman

TAN SRI DATO' SERI SITI NORMA YAAKOB
Chairman
Malaysia Competition Commission

This.....30.....day of January 2014