



NEWS RELEASE

FINES IMPOSED ON ICE MANUFACTURERS PAID TO MyCC

KUALA LUMPUR, 6th March 2015 –The Malaysia Competition Commission (MyCC) issued a Decision against twenty five (25) ice manufacturers who agreed to increase the price of edible tube ice by RM0.50 per bag and the price of block ice by RM2.50 per big block from 1st January 2014. The enterprises were found to have infringed Section 4(2)(a) of the Competition Act 2010 ('Act') by entering into an agreement that has as its object to fix, directly or indirectly, the selling price of edible tube ice and block ice in Kuala Lumpur, Selangor and Putrajaya. The financial penalty imposed ranged from RM1,200 to RM106,000 and all 25 enterprises have paid up the financial penalty.

According to MyCC CEO, Dr. Mohd Khalid Bin Abdul Samad, price fixing is a major concern of the MyCC as restriction of competition is apparent in a price fixing case. "It is important to send a signal to the business community including SMEs to not consider activities of the kind covered by this case, and the MyCC takes a strong stance on the seriousness of such infringements" he adds.

In determining the level of financial penalty, the MyCC takes into account amongst others, the seriousness of the infringement, the duration of the infringement, and relevant turnover of the enterprises for period of infringement.

The enterprises that were penalized are, AE Ice Sdn. Bhd., Ais Ceria Trading, Ais Everest Sdn. Bhd., Atlas Edible Ice Sdn. Bhd., BNI Sdn. Bhd., Everest Aisvaram Sdn. Bhd., Fui Wah Enterprise Sdn. Bhd., Jade Tube Ice Manufacturing Sdn. Bhd., KS Trading, S.P. Edible Ice



Sdn. Bhd., I-Bing Tube Ice Sdn.Bhd., Kajang Crystal Ice Sdn. Bhd. and Chuan Heng Trading(Kajang) Sdn. Bhd. (collectively), KFI Coldstorage Sdn Bhd., Pasific Tube Ice Sdn. Bhd., Shukor Sakam Ais Rintik-Rintik Sdn.Bhd., Perfect Tube Ice Sdn. Bhd., SJ Ice Sdn Bhd, Sunflower Heritage Sdn. Bhd., Twilight Tube Ice Sdn Bhd, Thien Nam Sdn. Bhd., Ocean Land Sdn.Bhd., Citi Ais Marketing, Dynamic Tube Ice (Nisar & Sons Sdn. Bhd.) as well as Wai Mah Trading.

The notice of the Decision has been uploaded to the MyCC website. For more information on the case or on the MyCC and the Competition Act 2010, log on to www.mycc.gov.my.

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Corporate Communication Unit

Malaysia Competition Commission

EDITOR'S NOTES:

1. The details on **Section 4 (2)(a) of the Competition Act 2010**: Prohibited **horizontal and vertical agreement is as follows:

4. (1) A horizontal or vertical agreement between enterprises is prohibited insofar as the agreement has the object or effect of significantly preventing, restricting or distorting competition in any market for goods or services.

(2) Without prejudice to the generality of subsection (1), a horizontal agreement between enterprises which has the object to—

- (a) fix, directly or indirectly, a purchase or selling price or any other trading conditions;
- (b) share market or sources of supply;
- (c) limit or control—
 - (i) production;



- (ii) market outlets or market access;
- (iii) technical or technological development; or
- (iv) investment; or
- (d) perform an act of bid rigging, is deemed to have the object of significantly preventing, restricting, or distorting competition in any market for goods or services.

** “horizontal agreement” = agreement between enterprises each of which operates at the same level in the production or distribution chain;
“vertical agreement” = agreement between enterprises each of which operates at a different level in the production or distribution chain.

2. Section 40 (1) and 40 (4) of the Competition Act 2010: Finding of an infringement

40. (1) If the Commission determines that there is an infringement of a prohibition under Part II, it—

- (a) shall require that the infringement to be ceased immediately;
- (b) may specify steps which are required to be taken by the infringing enterprise, which appear to the Commission to be appropriate for bringing the infringement to an end;
- (c) may impose a financial penalty; or
- (d) may give any other direction as it deems appropriate.

(4) A financial penalty shall not exceed ten percent of the worldwide turnover of an enterprise over the period during which an infringement occurred.

About Malaysia Competition Commission (MyCC)

Established in June 2011, MyCC is an independent body responsible for enforcing the Competition Act 2010, which was implemented to create healthy competition which would in turn stimulate productivity and innovation, thus creating wider choices of products for consumers with better quality and reasonable prices.

The Act applies to all commercial activities undertaken within and outside Malaysia that affects competition in the Malaysian market. It provides a regulatory framework including powers to investigate, adjudicate and impose penalties on the perpetrators of anti-competitive practices/conduct under the competition laws. For more information on the Act and MyCC activities, log on to www.mycc.gov.my.

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**SURUHANJAYA PERSAINGAN MALAYSIA
MALAYSIA COMPETITION COMMISSION**