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**NEWS RELEASE**

## **MyCC INVESTIGATES ASSOCIATION FOR PRICE FIXING**

**KUALA LUMPUR, 23 July 2012** – The Malaysia Competition Commission (MyCC) is investigating the Cameron Highlands Floriculturist Association (CHFA) for price-fixing of flowers sold to distributors and wholesalers in Malaysia and will make a proposed decision soon.

The MyCC got its lead when the President of the Association made a news statement in March 2012 that its members have agreed to increase the price by 10%. According to the Ministry of Agriculture's (MOA) annual report for 2011, the CHFA is made up of more than 100 members, who produce more than 90% of the total temperate cut flowers produced locally, especially the roses, chrysanthemum and carnation with a total production value of RM80 million in 2011 alone.

Under the new Competition Act 2010, it is a violation when enterprises in the same level of production or supply chain agree to fix the price of their goods or services. This is deemed to have the object of significantly preventing, restricting or distorting competition in the market for the goods. A decision by an association is also defined as an agreement under the Act.

Generally, trade guilds or associations and bodies representing businesses are formed to safeguard the interests of its members. Their purpose is to ensure members' increase their productivity and efficiency and provide better products to their stakeholders. However, in Malaysia these bodies continue to be involved, directly or indirectly in the business operations of their members by deciding how much a member should produce or at what price he should sell his produce.

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TO THE NEWS EDITOR**



This interference could tantamount to a violation of the Competition Act 2010, which is aimed protecting the process of competition to ensure the consumers' interests are protected.

The MyCC will continue to monitor the activities of all trade associations, including professional bodies to ensure that they do not indulge in activities which could stifle competition among them and violate the Competition Act 2010. An infringement under this Act may attract a financial penalty of not more than 10% of the worldwide turnover of an enterprise over the period of the infringement.

For more information on the Competition Act 2010 and the MyCC, log on to [www.mycc.gov.my](http://www.mycc.gov.my).

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**About Malaysia Competition Commission (MyCC)**

Established in June 2011, the MyCC is an independent body responsible for enforcing the Competition Act 2010. The Act 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.

For more information on the Act and the MyCC activities, log on to [www.mycc.gov.my](http://www.mycc.gov.my).