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For Immediate Release

Competition Commission launches "Combat Price Fixing Cartels" Campaign

The Competition Commission (Commission) launches its "Combat Price Fixing Cartels" Campaign (Campaign) today to enhance public awareness and understanding of price fixing and its harm as well as to encourage compliance and strengthen detection of such conduct through a series of advocacy and educational initiatives.

Since the Competition Ordinance (Ordinance) came into full effect in December 2015, the Commission has received around 4,600 enquiries and complaints, of which 60% were on the First Conduct Rule with cartel conduct, including price fixing, being the major concern. Among the ongoing cases that have been escalated for initial assessment or in-depth investigation, around 30% of them involved price fixing. Of the six cases brought before the Competition Tribunal (Tribunal) so far, five were in relation to price fixing in different forms, indicating that such conduct is prevalent across various business sectors.

Price fixing takes place when competing businesses agree to fix, increase, lower, maintain or control the price for buying or selling of goods or services. It can be done verbally, in writing (including via electronic group chats) or indirectly through a third-party such as common customers, trade associations or professional bodies. In a price fixing cartel, competitors might agree to:

- adhere to a specified price or a price range
- fix a certain amount / percentage of price increases
- fix elements of price such as discounts, rebates, promotions or credit terms
- adopt a standard formula to calculate prices / margins

Apart from agreeing on prices which is prohibited under the Ordinance, businesses should also refrain from exchanging competitively sensitive information, especially future price intentions, which the Commission is likely to consider as price fixing with the object of harming competition.

Mr. Rasul Butt, Senior Executive Director of the Commission, said, "Price fixing is one of the most common types of cartel conduct in Hong Kong that can occur in any sector, depriving consumers and businesses of the benefits of effective market competition."

"Combating price fixing cartels is a Commission priority. We are pleased to see that the Competition Tribunal had to date ruled in the Commission's favour four cases involving price fixing and as a consequence, all respondents in these cases had been found to have contravened the Ordinance. The Tribunal judgments have sent a strong warning that such practices are clearly not acceptable under the law. The Commission will continue to crack down on price fixing cartels which are detrimental to the sustainable development of our economy."

“Through the ‘Combat Price Fixing Cartels’ campaign, we hope to drive public awareness of the various forms of price fixing, address common misconceptions and give examples and advice on how to detect it. We encourage all businesses to steer clear of price fixing while those already involved in such conduct should come forward for leniency or provide cooperation before it is too late.”

The Commission kicks off the Campaign today with a new TV announcement featuring actor Timothy Cheng Tse-sing to arouse public attention on price fixing. The Commission will also roll out five short educational videos centering around the theme of “Prosper with competition, Say No to Price Fixing” to explain the key concepts. To deepen understanding of this anti-competitive conduct, the Commission has published a brochure which outlines different types of price fixing with practical information on how to identify it and what to do should such behaviour be suspected. A series of thematic seminars will also be conducted for businesses from different sectors.

The Campaign’s TV, radio announcement and brochure are now available on the Commission’s website (www.compcomm.hk) with the educational videos to be launched in stages.

Photo captions:



“Combat Price Fixing Cartels” Campaign poster



TV announcement & educational videos



“Combat Price Fixing Cartels” brochure