

## More awareness needed on Competition Law

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**KUALA LUMPUR:** An increased level of awareness is still needed on how Malaysia's Competition Law applies and impacts local companies.

"It's still new and it's coming.

"It was implemented in 2012 and there needs to be more awareness on it," said Shanthi Kandiah of law firm SK Chambers.

The firm, which specialises in Competition Law, has been seeing an increase in inquiries by local companies on the impact that the law has on local businesses, Shanthi said.

"The understanding is still not there, especially among small and medium-sized enterprises (SMEs), she told *StarBiz* last week following a luncheon talk titled "Competition Law issues in Mergers, Collaborations and Exclusive Arrangements – How can companies use Economic Reasoning to Mitigate Risks?"

The talk, which was organised by SK Chambers, also featured speakers Dr Adrian Majumdar, a partner at (Competition Law specialist consultancy) RBB Economics and competition economist Ibrahim Bah.

Bah said local companies should strive to avoid getting involved in collusive activities that infringe the Malaysian Competition Act 2010, which came into force on Jan 1, 2012.

"Activities that infringe on the act include price-fixing, market sharing, collective boycotts or other anti-competitive agreements.

"Communicate, directly or indirectly, with competitors your business intentions.

"For example, do not attend meetings with competitors where you discuss your costs and prices to be charged," he said.

The Malaysian Competition Act is enforced by the Malaysian Competition Commission (MyCC).

Bah added that local firms should carry out proper compliance programmes to avoid infringing the Act.

"These compliance programmes should involve your staff and a proper investigation of your market position and practices.

"Know and utilise avenues under the Act to engage with the regulator.

"Also, try to fully cooperate with and assist the MyCC with its investigations," he said.

Majumdar added that companies should always find out quickly if they are in a position of "dominance."

"If the company concerned is dominant, find out if you have substantial market power – and can you get away from it?"

With the coming into force of the Competition Act 2010 in 2012, entrenched practices that are seen to hinder competition will face scrutiny of MyCC.

The Act and MyCC address issues such as cartels, collaborations, exclusive arrangements and abuses of dominance.