

Air-conditioning Cartel Case Summary

Initiation of the case



Commission received a complaint

Commission conducted an investigation and exercised its compulsory investigatory powers under the Competition Ordinance. Close to **a million documents** were reviewed.

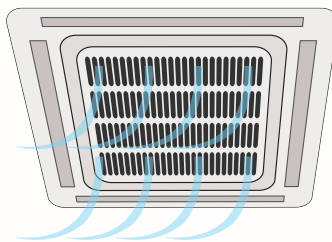


The Commission's Case

From **14 Dec 2015 to 4 Dec 2019**, two senior engineers at **Analogue^[1]** and a senior manager at **Shun Hing^[2]** engaged in frequent communications when responding to RFQs^[3] of air-conditioning projects in Hong Kong. In the communications they sought and agreed to provide cover bids, and shared commercially sensitive information.



The Commission believes that such conduct amounts to Serious Anticompetitive Conduct comprising price-fixing, market-sharing and/or bid-rigging, which potentially impacted their sales of air-conditioning works with an overall value of around **HK\$2 billion**.



Enforcement

Commission is seeking orders before the Competition Tribunal:

- Declaration of contravention of the First Conduct Rule
- Imposition of fines
- Recovery of the Commission's costs
- Prohibition on engaging in same conduct again
- Respondent undertakings to adopt an effective compliance program



Respondents:

- Analogue^[1]
- Shun Hing^[2]
- Two senior engineers at Analogue
- A senior manager at Shun Hing

[1] "Analogue" refers to ATAL Building Services Engineering Limited and its parent company Analogue Holdings Limited.

[2] "Shun Hing" refers to Shun Hing Engineering Contracting Company Limited and its parent company Shun Hing Holdings Co., Ltd.

[3] "RFQs" refers to requests for tender or quotation.

[4] "Pig Quotes" refers to the submission of cover bids in response to RFQs.