



FTCNewsLine is an on-line quarterly newsletter of the **FAIR TRADING COMMISSION** that contains information on competition matters dealt with by the Fair Trading Commission as well as competition agencies from around the world. The aim is to provide insights into some of the matters that are prosecuted in other jurisdictions; and to assist persons in better identifying issues that may pose competition concerns.

Competition legislation is specific to each jurisdiction and activities that are prohibited in one jurisdiction are not necessarily prohibited in other jurisdictions. For information on the prohibitions under the Jamaica's competition legislation, the **FAIR COMPETITION ACT (FCA)**, please visit our website at www.jftc.gov.jm.

In this Issue, we feature matters undertaken by the FTC during the period January 1 to March 31, 2014.

FTC signs consent agreement with Singer Jamaica Limited

In February 2014, the FTC entered into a Consent Agreement with Singer Jamaica Limited (Singer). This arose from a complaint received in late 2013, whereby a consumer alleged that Singer incorrectly advised her of the warranty period on a Sealy Perfect Comfort Mattress. The Staff investigated the matter and took the position that Singer's conduct was likely to contravene Section 37 of the Fair Competition Act, which prohibits misleading representation. The Staff's investigation revealed that Singer's actions resulted in the original representation, upon which the consumer had relied, being altered in material respects, to the detriment of the consumer. Singer and the FTC agreed to settle the matter in accordance with the Fair Competition (Notices and Procedures) Regulations 2000.

The FTC enters into Consent Agreements in situations where it believes that the FCA has been breached and the Respondents are amenable to settling the matter out of Court. These agreements usually require that the Respondent commit to not repeating the offensive conduct, issue a public apology, provide redress to the Informant(s) as well as pay the Commission's costs. The FCA allows for a fine of up to \$5 million in the case of an enterprise and up to \$1 million in the case of an individual, where the Court determines that the FCA has been breached.

FTC comments on Interim BOJ Report on Survey of Fees and Charges of Deposit-Taking Institutions

In January and February 2014, the FTC participated in discussions with the Economy and Production Committee of Parliament on the Bank of Jamaica's (BOJ) Interim Report regarding the fees charged by deposit-taking institutions.

In its comments, the FTC reported that there was a gradual convergence of the average fees charged by banks during the period 2005-2013. The FTC reported that revenue from fees and

commissions charged by the two largest commercial banks were as much as five times greater than direct costs.

The FTC continues to advocate for a competitive banking environment, through for example, disclosure of complete information to consumers since competition is the best means of ensuring that consumers are provided with quality goods and services at the most affordable prices.

Study of the table egg industry

In December 2013, the FTC observed several practices by supermarkets that may have implications for the retail table egg market. These include the supplying of a single brand at a given time; brand rotation; and uniform pricing of multiple brands.

As part of its investigation, the FTC collected weekly data on egg prices in thirteen supermarkets over the period February through March 2014.

Among the thirteen supermarkets surveyed, fifteen egg brands are supplied. Generally, supermarkets supply the same set of brands but do not display all brands that they carry on any given weekend. The Staff also observed that over 50% of supermarkets carrying multiple brands sell the brands at the same price.

The FTC will publish the results of the study in May 2014.

FTC hosts another Competition Law and Policy Course

The FTC will be hosting for the third time its 2-day Intermediate Level Course in Competition Law and Policy on April 28 – 29, 2014, at the offices of the Ministry of Industry, Investment & Commerce, 4 St. Lucia Avenue, Kingston 5. Attorneys-at-Law and Economists attended the Course which was held in October 2013 and January 2014.

In March 2014, the General Legal Council accredited the Course for the purposes of its Continuing Legal Professional Development program. Attorneys-at-Law participating in the Course will be awarded ten (10) credits towards the program during 2014.

Registration form and Course information are available on the FTC website at www.jftc.gov.jm. As space is limited, registrants are encouraged to register early. Registration closes on April 22, 2014. The course fee is \$45,000 per person; however a group rate of \$40,000 applies for a group of 3 or more persons from the same organization. This fee includes tuition, lunch, coffee breaks and course materials.