

Singapore says Uber-Grab deal may flout competition rules

March 30 2018



The sale ends a bruising battle between the ride-hailing behemoths

The sale of Uber's Southeast Asian business to Singapore-based rival Grab may have infringed competition rules, a Singapore watchdog said Friday, imposing restrictions on the deal while it carries out an investigation.

The sale announced on Monday ended a bruising battle between the ride-hailing behemoths and marked the US firm's latest retreat from international markets.

But the Competition Commission of Singapore (CCS) said both companies would face interim measures as it probes concerns Grab will have a virtual monopoly on the ride-hailing market—the first time such a directive has been issued in the city-state.

Under rules which take effect immediately, the companies will not be allowed to integrate their operations until the CCS investigation is finished.

They will have to maintain separate pricing and cannot obtain confidential information from each other like costing or customer and driver details.

This is likely to prove a major stumbling block for the deal, under which Singapore-based Grab is set to take over Uber's ride-sharing and food delivery operations in the region.

In return Uber will receive a 27.5 percent stake in the business, with chief executive of the California-headquartered [company](#) Dara Khosrowshahi joining the Grab board.

Singapore has a voluntary merger notification regime and the Commission said it has not received submissions from Uber and Grab as of Friday.

Both companies have indicated they intend to file a formal merger notification, the CCS said.

Uber and Grab did not immediately comment on the decision.

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