

The JFTC issued cease and desist orders and surcharge payment orders against participants in biddings for pharmaceutical procurement ordered by Japan Community Health Care Organization

March 30, 2022
Japan Fair Trade Commission

The Japan Fair Trade Commission (hereinafter referred to as the “JFTC”) today issued cease and desist orders and surcharge payment orders against three pharmaceutical wholesalers, Alfresa Corporation, TOHO PHARMACEUTICAL Corporation and SUZUKEN Corporation, in biddings for pharmaceutical procurement ordered by Japan Community Health Care Organization (hereinafter referred to as the “JCHO”).

The JFTC found (i) that the participants had conspired and agreed to decide prospective bidders and to bid at prices allowing those successful bidders to win comprehensive pharmaceutical procurement contracts for 57 hospitals, operated by the JCHO; (ii) that based on the agreements, they decided successful bidders for each pharmaceutical category of the comprehensive procurement contracts in advance and allowed the successful bidder to win the bid; (iii) that by these conducts in 2016 and 2018, namely, by, in concert with one another, designating prospective bidders the participants substantially restrained competition in the field of the above pharmaceutical procurement, contrary to the public interest.

The conducts fall under unreasonable restraint of trade prescribed in Article 2, paragraph (6) of the Antimonopoly Act (hereinafter referred to simply as the “Act”) and the participants violated Article 3 of the Act. The total amount of surcharge is 423.85 million yen.

* This announcement is tentative translation. Please refer to the original text written in Japanese for more details.