Approval of the Commitment Plan submitted by IBJ, Inc.

January 22, 2024 Japan Fair Trade Commission

The Japan Fair Trade Commission (hereinafter referred to as the "JFTC") has investigated IBJ, Inc. (hereinafter referred to as "IBJ") in accordance with the provisions of the Antimonopoly Act (hereinafter referred to as the "Act"), and suspected that IBJ's conducts described below might violate the Article 19 of the Act (Paragraph 12 of Designation of Unfair Trade Practices (Trading on Restrictive Terms)). Recognizing that competition would be promptly restored, through the Commitment Procedure, by measures taken by IBJ in a rapid manner to eliminate the IBJ's conducts described below, the JFTC issued the Notice of Commitment Procedures to IBJ on November 28, 2023, pursuant to Article 48-2 of the Act.

IBJ submitted the Commitment Plan to the JFTC for an approval of measures necessary to eliminate its conduct described below, pursuant to the Article 48-3, Paragraph 1 of the Act. The JFTC today approved the Commitment Plan, pursuant to the Article 48-3, Paragraph 3 of the Act recognizing that the plan is sufficient to eliminate the alleged conduct and expected to be reliably implemented (Note 1) (Note 2).

It is noted that today's approval does not mean that IBJ's conducts violated the Act.

- (Note 1) An approval of the Commitment Plan is an administrative disposition under the Act.
- (Note 2) The JFTC is to render a decision to rescind the approval pursuant to the Article 48-5, Paragraph 1 of the Act and resume the investigation procedure conducted before the Notice of Commitment Procedures is issued, for instance, if the JFTC recognizes that the Commitment Plan is not being conducted according to the approved Commitment Plan.

1 Overview of trading between marriage agency networks and marriage agencies

(1) IBJ operates a marriage agency network called "IBJ" (hereinafter referred to as "IBJ Federation") and a marriage agency called "IBJ Members Marriage-Hunting Lounge".

- (2) Enterprises operating marriage agencies affiliated with the marriage agency network (hereinafter referred to as "affiliate agency") register member information in the system for sharing member information provided by enterprises operating the marriage agency network (hereinafter referred to as "matchmaking system"), and use the functions of the system to search for partners across boundaries of the marriage agencies, apply for matchmaking, and manage developments of relationships thereafter. Members can also search for partners by using the functions of the system.
- (3) IBJ provides matchmaking system to affiliate agencies of IBJ Federation, operates a webpage called "Area-page" (Note 3) as an aid for attracting customers, and holds training sessions etc. as an aid for operation of the affiliate agencies.
- (4) Enterprises operating marriage agency networks other than IBJ Federation include TMS Co., Ltd. (hereinafter referred to as "TMS"), which operates Japan Marriage Counseling Service Association (hereinafter referred to as "TMS Association"), Nihon Nakodo Renmei Co. Ltd. (hereinafter referred to as "Nihon Nakodo Renmei"), which operates Nihon Nakodo Renmei (hereinafter referred to as "NNR"), and Japan Marriage Network Co., Ltd. (hereinafter referred to as "Japan Marriage Network"), which operates Japan Marriage Network (hereinafter referred to as "JMN").
- (5) Since around September 2021, when the conducts described in section 2 below started, IBJ has been ranked first in Japan in terms of the number of affiliate agencies, the sales of the business pertaining to the operation of marriage agency network, and the number of members registered in the matchmaking system.
- (6) IBJ had been considering countermeasures against TMS and Nihon Nakodo Renmei since around June 2021, because TMS and Nihon Nakodo Renmei had started a project to share information about members registered with TMS Association and NNR, and the number of members, about whom TMS Association and NNR share information, has increased.
 - (Note 3) "Area-page" is a webpage established on a website operated by IBJ for the purpose of assisting affiliate agencies of IBJ Federation in attracting customers. "Area-page" classifies affiliate agencies which wish and are allowed by IBJ to publish their information on the website by prefecture, and posts information on those agencies.

2 Overview of the suspected violation of the Act

IBJ has committed the following conducts on the affiliate agencies of IBJ Federation who are also members of TMS Association, NNR and/or JMN (hereinafter referred to as "multi affiliate agencies").

- (1) As the latest conducts related to matchmaking restrictions, around September 2022, IBJ requested multi affiliate agencies of TMS Association, NNR and/or JMN to withdraw from TMS Association, NNR and JMN by implying that matchmaking between members of the marriage agencies operated by the multi affiliate agencies and members of IBJ Members Marriage-Hunting Lounge, and marriage agencies operated by subsidiaries of IBJ would be restricted. In this context, IBJ has forced multi affiliate agencies that had not withdrawn from TMS Association, NNR and JMN and had not indicated such intentions to do so by restricting matchmaking between the members of the marriage agencies operated by the multi affiliate agencies operated by the multi affiliate agencies operated by the subsidiaries of IBJ Members of the marriage agencies operated by the multi affiliate agencies operated by subsidiaries of IBJ Members Marriage-Hunting Lounge and marriage agencies operated by subsidiaries of IBJ since around October of the same year.
- (2) Around November 2022, IBJ explained to multi affiliate agencies of TMS Association, NNR and/or JMN, which posted their own information on Areapage, that it had no intention to post the information of the multi affiliate agencies on Area-page. In this context, IBJ has forced multi affiliate agencies that had not withdrawn from TMS Association, NNR and JMN and had not indicated such intentions to do so by deleting the information of the multi affiliate agencies from Area-page since around December of the same year.

3 Concept under the Act

It is considered that the restrictions on matchmaking described in section 2 (1) above reduce the opportunities for matchmaking for members of multi affiliate agencies as well as the quality of services which marriage agencies provides. In addition, it is considered that the deletion of information from Area-page described in section 2 (2) above reduces the opportunities for multi affiliate agencies to be selected from those who intend to be members of the marriage agencies. Therefore, it is considered that multi affiliate agencies subjected to the IBJ's conducts described in section 2 above would avoid transactions with TMS, Nihon Nakodo Renmei and/or Japan Marriage Network.

Accordingly, IBJ restricts business activities of multi affiliate agencies by

trading with them on conditions that limit dealings with TMS, Nihon Nakodo Renmei and/or Japan Marriage Network, through the matchmaking restrictions described in section 2 (1) above and the deletion of information from Area-page described in (2) of the same section above. It is considered that such conducts may possibly result in the exclusion of TMS, Nihon Nakodo Renmei and/or Japan Marriage Network from trading with enterprises operating marriage agencies, or in the reduction of opportunities for trading between these enterprises operating marriage agency networks and those operating marriage agencies.

- 4 Overview of the Commitment Plan
- (1) Ceasing the conducts described in section 2 above.
- (2) Resolving to take measures described in (1) above and (4) below at a meeting of the Board of Directors.
- (3) Notifying TMS, Nihon Nakodo Renmei, Japan Marriage Network, affiliate agencies of IBJ Federation, marriage agencies operated by subsidiaries of IBJ and members of them, of the measures taken pursuant to (2) above and the fact that the measures mentioned in (1) above will be taken, as well as thoroughly disseminating these to its executives and employees.
- (4) Refraining from engaging in conducts similar to those described in section 2 above, and implementing these measures for the next three years.
- (5) Taking necessary measures to perform following items:
 - (a) Compiling action guidelines for compliance with the Act in relation to dealings with affiliate agencies of IBJ Federation as well as thoroughly disseminating these guidelines to its executives and employees;
 - (b) Periodic training for its executives and employees and periodic supervision by legal section for compliance with the Act regarding dealings with affiliate agencies of IBJ Federation;
 - (c) Making rules for disciplinary actions against its executives and employees involved in violations of the Act;
 - (d) Making rules covering the appropriate treatment of persons who report violations of the Act;
 - (e) Establishment of a new director in charge of legal affairs and compliance.
- (6) Reporting the status of implementation of the measures described in (1), (2), (3) and (5) above to the JFTC.
- (7) Reporting annually for the next three years the status of implementation of the measures described in (4) and (5)(b) above to the JFTC.

The JFTC recognized that the Commitment Plan above would conform to all the approval requirements, and approved the Commitment Plan.

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