

Cease and Desist Order against Eight Paper Manufacturing Companies
(Tentative Translation)

April 25, 2008
Japan Fair Trade Commission

The Japan Fair Trade Commission (JFTC) had investigated representations about copy paper sold by eight paper manufacturing companies (hereafter referred to as “the eight companies”), and found that the eight companies were in breach of Article 4, Section 1, Paragraph 1 (Misleading representation about quality) under the Act against Unjustifiable Premiums and Misleading Representations. The JFTC issued a cease and desist order to the eight companies today in accordance with Article 6, Section 1 under the Act.

1. Outline of the Parties Concerned

Company	Address	Representative
Oji Paper Co., Ltd.	7-5, Ginza 4-chome, Chuo-ku, Tokyo	Kazuhisa Shinoda Representative Director
Kishu Paper Co., Ltd.	22-1, Minami Suita 4-chome, Suita-shi, Osaka	Isao Kobayashi Representative Director
Daio Paper Corporation	2-60, Mishimakamiyacho, Sikokuchuo-shi, Ehime	Mototaka Ikawa Representative Director
Chuetsu Pulp & Paper Co., Ltd.	10-6, Ginza 2-chome, Chuo-ku, Tokyo	Kentaro Nagaoka Representative Director
Nippon Paper Industries Co., Ltd.	4-1, Oji 1-chome, Kitaku, Tokyo	Masatomo Nakamura Representative Director
Hokuetsu Paper Mills, Ltd.	5-1, Nishi Zaou 3-chome, Nagaoka-shi, Niigata	Sekio Kishimoto Representative Director
Marusumi Paper Co., Ltd.	826, Kawanocho, Shikokuchuo-shi, Ehime	Kazuya Hoshikawa Representative Director
Mitsubishi Paper Mills., Ltd.	4-2, Marunouchi 3-chome, Chiyoda-ku, Tokyo	Takeshi Sato Representative Director

2. Outline of the Cease and Desist Order

(1) Outline of the Violation

When selling “recycled copy paper” using pulp extracted from waste paper (hereafter referred to as “the Waste Paper Pulp”) as raw material to consumers in general via distributors as their clients, the eight companies indicated the ratio of the Waste Paper Pulp (hereafter referred to as “Waste Paper Inclusion Rate”) on the package paper of the products in question, on the labels affixed on the package paper of the products in question, on the boxes containing the products in question, and on the website pages. However, the actual Waste Paper Inclusion Rates were much smaller than the figure indicated on the said items.

(2) Outline of the Cease and Desist Measures

- a. The eight companies shall publicly announce that the above representations misled

consumers in general, giving them the impression that their product is much better in quality than it actually is.

- b. The eight companies shall take measures to prevent recurrence and ensure that its officers and employees are fully informed of these measures.
- c. The eight companies shall not make similar representations in the future.