

Cease and Desist Order against Japanese Consumers' Co-operative Union  
( Tentative Translation )

July 17, 2008

Japan Fair Trade Commission

The Japan Fair Trade Commission (JFTC) investigated representations related to the clothing sold by Japanese Consumers' Co-operative Union and found that the union was in violation of Item 1 (Misleading Representations about Quality) of Paragraph 1, Article 4 under the Act against Unjustifiable Premiums and Misleading Representations. Accordingly, the JFTC issued today a cease and desist order against the union pursuant to the provision of Paragraph 1, Article 6 of the Act.

1. Outline of the party concerned

Entrepreneur	Location	Representative
Japanese Consumers' Co-operative Union	3-29-8 Shibuya, Shibuya-ku, Tokyo	Toshifumi Yamashita, President

2. Outline of the goods specified by the order

Outline of the clothing specified by this cease and desist order is as shown below:

Type of clothing	Sales channel	Catalogue title	Retail price
Cardigan called "Original half-cashmere long cardigan with collar" and 8 other items	catalogue sales	"Mainichi Kiru Fuku, Winter 2007", "Watashi Sutairu, Hard winter 2007" and "Sukina Kurashi 2007 (First issue) "	4,990 yen to 6,990 yen

3. Outline of the Cease and Desist Order

(1) Outline of the violation

Japanese Consumers' Co-operative Union made the representations as shown in the attached table on its catalogues for 9 clothing items in the same table from around September 2007 at latest to around March 2008. These representations gave the impression that the raw material of these 9 clothing items contained 50% cashmere. In fact, however, only a very small amount of cashmere was used as the raw material for most part of these 9 clothing items.

(2) Outline of the cease and desist measures

- A. Japanese Consumers' Co-operative Union should publicly announce that the representations in (1) above gave general consumers the misleading impression that its goods were much better than they actually were.
- B. Japanese Consumers' Co-operative Union should take measures to prevent recurrence and

have these measures thoroughly disseminated to its officers and employees.

C. Japanese Consumers' Co-operative Union should not make similar representations in future.

Attached Table

	Name of Goods	Catalogue title	Representations
1	Original half-cashmere long cardigan with collar	Mainichi Kiru Fuku, Winter 2007	“Original half-cashmere long cardigan with collar”, “Fluffy, light and warm half-cashmere”, “Half cashmere blend consisting of 50% of velvety cashmere and 50% of fluffy wool” and “?Materials: Cashmere - 50%”
2	Original half-cashmere turtleneck sweater	Mainichi Kiru Fuku, Winter 2007	“Original half-cashmere turtleneck sweater” and “?Materials: Cashmere - 50%”
		Watashi Surairu, Hard winter 2007	“Original half-cashmere turtleneck sweater”, “Half-cashmere fluffy knitwear” and “?Materials: Cashmere - 50%”
3	Original half-cashmere stand-collar sweater	Mainichi Kiru Fuku, Winter 2007	“Original half-cashmere stand-collar sweater” and “?Materials: Cashmere - 50%”
		Watashi Sutairu, Hard winter 2007	“Original half-cashmere stand-collar sweater”, “Half-cashmere fluffy knitwear” and “?Materials: Cashmere - 50%”
4	Original half-cashmere cardigan with collar	Watashi Sutairu, Hard winter 2007	“Original half-cashmere cardigan with collar”, “Half-cashmere fluffy knitwear” and “?Materials: Cashmere - 50%”
5	Half-cashmere V-neck cardigan		“Half-cashmere V-neck cardigan”, “Half-cashmere high-necked sweater”, “Half-cashmere loose-neck sweater”, “Half-cashmere polo-neck sweater”, “Beautiful half-cashmere knitwear” and “?Materials: Cashmere - 50%”
6	Half-cashmere high-necked sweater		
7	Half-cashmere loose-neck sweater		
8	Half-cashmere polo-neck sweater		
9	Half-cashmere turtleneck sweater	Sukina Kurashi, 2007 (First issue)	“Half-cashmere turtleneck sweater” and “?Materials: Cashmere - 50%”