

Cease and Desist Order Against House Foods Corporation  
( Tentative Translation )

June 17, 2008  
Japan Fair Trade Commission

The Japan Fair Trade Commission (JFTC) investigated representations related to the product called “Rokko no Oishii Mizu” (hereinafter referred to as “Rokko no Oishii Mizu”) sold by House Foods Corporation (hereinafter referred to as “House Foods”) and found that the company was in violation of Item 1, Paragraph 1, Article 4 (Misleading representation of quality) under the Act against Unjustifiable Premiums and Misleading Representations. Accordingly, the JFTC issued today a cease and desist order against House Foods in accordance with the provision of Paragraph 1, Article 6 of the Act.

1. Outline of the Party Concerned

Company	Location	Representative
House Foods Corporation	5-7, Mikuriyasakae-machi 1-chome, Higashi-osaka-shi, Osaka	Akira Oze, Representative Director

2. Outline of the Cease and Desist Order

(1) Outline of the violation

When selling the product of 2-liter size among “Rokko no Oishii Mizu” series in and after January 2005 to general consumers via its contract dealers, House Foods made the following representations. These representations to general consumers gave the impression that the product was much better than it actually was.

\*Among "Rokko no Oishii Mizu" series, the 2-liter size product changed the place to gather water around January 2005 from Shinohara-minamimachi, Nada-ku, Kobe to Ibukidai-higashimachi, Nishi-ku, Kobe.

Product	Rokko no Oishii Mizu (2-liter size)
Period	From January 2005 approx. to January 2008 approx.
Representations	By describing “Tasty water refined by granite: the Rokko mountain range consists of granite. Rainwater there sinks deep into the ground, dissolves the mineral content while passing through cracks of multi-layered soil and, after a long time, becomes good water which is naturally mellow and smooth” on the product container, House Foods gave impression that the contents of the product had passed through the cracks of granite in the Rokko mountain range and that passing through the granite had dissolved the mineral content.
Fact	The content of the product is not the water that dissolves the mineral content while passing through cracks of granite of the Rokko mountain range.

(2) Outline of the cease and desist measures

- a. House Foods should publicly announce that the above representations gave general consumers the misleading impression that the product was much better than it actually was.
- b. House Foods should take measures to prevent recurrence and have these measures thoroughly disseminated to its officers and employees.
- c. House Foods should not make similar representations in future.