

Cease and Desist Order against Kobayashi Pharmaceutical Co., Ltd.
(Tentative Translation)

June 12, 2008
Japan Fair Trade Commission

The Japan Fair Trade Commission (JFTC) investigated Kobayashi Pharmaceutical Co., Ltd. (hereinafter, “Kobayashi Pharmaceutical”) in connection with its representation of three products it sold, namely an air freshener called *Toire no Gin no Shoshugen*, an air-freshening and cleaning agent for flush toilet bowls called *Gin no Blue-Let Okudake* and a refill thereof called *Gin no Blue-Let Okudake Tsumekae-Yo* (among which the second and third products are hereinafter collectively referred to as “the two *Gin no Blue-Let* products”), and discovered some facts in violation of the provision in Item 1, Paragraph 1, Article 4 (misleading representation of quality) of the Act against Unjustifiable Premiums and Misleading Representations. The JFTC has today issued a cease and desist order against the company pursuant to the provision in Paragraph 1, Article 6 of the same Act.

1. Outline of the Party Concerned

Company	Location	Representative
Kobayashi Pharmaceutical Co., Ltd.	3-6 Doshomachi 4-chome, Chuo-ku, Osaka	Yutaka Kobayashi, Representative Director

2. Outline of the Cease and Desist Order

(1) Outline of the facts of violation

For the purpose of marketing *Toire no Gin no Shoshugen* and the two *Gin no Blue-Let* products to general consumers through its business partners and dealers, Kobayashi Pharmaceutical provided the representations detailed below. These representations mislead general consumers into believing that the products are much better than they actually are.

a. *Toire no Gin no Shoshugen*

Period of the representation	From around November 2005 to around February 2008
Representation	Two expressions are provided on the container of the product: “eliminates bacteria using silver ions” and “disinfectant.”
Fact	The product fails to eliminate bacteria in the bathroom.

b. The two *Gin no Blue-Let* products

Period of the representation	From around September 2007 to around February 2008
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Representation	The wording, "silver ion power," is indicated on the container of the product. In addition, its reverse side indicates that silver ions prevent stains in the toilet bowl and keep it clean.
Fact	The product fails to prevent stains on the surface of the toilet bowl.

(2) Outline of the cease and desist measures

- a. Kobayashi Pharmaceutical shall adopt at its board of directors a resolution confirming that the representations mislead general consumers into believing that the products are much better than they actually are, implement preventive measures and make them well-known to its officers and employees.
- b. Kobayashi Pharmaceutical shall not make any similar representations in the future.