

Warning to Koundou Corporation  
( Tentative Translation )

October 6, 2008  
Japan Fair Trade Commission

The Japan Fair Trade Commission (JFTC) investigated representations related to the prices of Buddhist altars sold by Koundou Corporation and found the following facts. Accordingly, the JFTC issued today a warning to Koundou Corporation that these representations tend to be in violation of the provision of Item 2, Paragraph 1, Article 4 (Misleading representations about terms of trade) under the Act against Unjustifiable Premiums and Misleading Representations.

1. Outline of the Party Concerned

Entrepreneur	Address	Representative
Koundou Corporation	29-1, Aoyagi 3-chome, Soka-shi, Saitama	Takatomi Oiwa, Representative Director

2. Outline of the Suspected Violation

When selling Buddhist altars, Koundou Corporation made the following representations in the advertisement inserted in general daily newspapers from around March to May 2008. It was suspected that these representations gave general consumers the misleading impression that their products were much more favorable to the counterparty of the transaction than they actually were.

P e r i o d	Five times in total from around March to May 2008	
R e p r e s e n t a t i o n s	In the advertisement in general daily newspaper dated March 7, 2008, for example	
	There were representations such as "(1) No. 18 made of paulownia with the color of zelkova" and "Price desired by the manufacturer: 46,000 yen but 4,500 yen (including tax)." When representing sale prices, prices remarkably higher than the actual sale prices were shown as "Prices desired by the manufacturer" and placed together with the sale prices for comparison.	There were representations such as "Natural Wood Series" and "Products usually sold at 1,480,000 yen to 9,700,000 yen are provided at 480,000 yen to 3,800,000 yen (including tax)." When representing the sale prices, prices remarkably higher than the actual sale prices were shown as the "usual prices" and placed together with the sale prices for comparison.
F a c t	The prices shown for comparison were only set by the corporation for the products it deals in as a retailer.	The prices shown for comparison cannot be considered as the prices at which the products have been recently sold for a substantial period of time.