

# Annual Report of FY 2008 (Outline) (Tentative Translation)

## Chapter 1: Summary

The Japan Fair Trade Commission (JFTC) positively implemented competition policy during FY 2008 mainly focusing on the following types of measures.

### 1 Amendment of the Antimonopoly Act (AMA)

The bill to amend the Antimonopoly Act (AMA) was established on June 3, 2009 (Law No. 51 of 2009; hereinafter referred to as the “2009 AMA Amendment”) and promulgated on June 10, 2009. The following is a summary of the amendments. The implementation date of the 2009 AMA Amendment is July 10, 2009 (the date after one month following the promulgation date) for certain items of the amendments and the implementation date for the other items will be the date within one year following the promulgation date and will be stipulated by a cabinet order.

#### <Summary of the 2009 AMA Amendment>

- Introduction of the surcharge system for exclusionary type of private monopolization and certain unfair trade practices.
- Introduction of the system that increases the surcharge rate applicable to entrepreneurs playing leading roles in unreasonable restraint of trade.
- Introduction of the system that allows two or more violators within the same company group to jointly file an application for the leniency program.
- Increase in maximum jail term for crimes such as unreasonable restraint of trade.
- Review of the notification system on business combination.

### 2 Prompt and Effective Enforcement of Laws

#### (1) Vigorous Elimination of Violations of the AMA

- A. During FY 2008, under the fundamental policy of prompt and effective law enforcement, the JFTC acted strictly and vigorously against violations of the AMA—especially price-fixing cartels, bid-rigging, and other unfair trade practices such as abuse of superior bargaining position that place small and medium enterprises at an unfair disadvantage. As a result, cease and desist orders and other legal measures were taken in 17 cases and payments of surcharges were ordered in the total amount of 27,036,420,000 yen.

The main cases in which legal measures were taken are as follows:

<Main Legal Measures Cases during FY 2008>	
Private monopolization	Private monopolization case regarding the management business for copyrights, etc.
Bid-rigging	Bid-rigging in electrical equipment construction projects for sewage treatment facilities, which were ordered by Sapporo City
Cartels	Price-fixing cartel by international air cargo forwarders
Resale price restriction	Resale price restriction by distributors of hand knitting wools, etc.
Abuse of superior	Abuse of superior bargaining position by a large electronics resale store

bargaining position	
---------------------	--

- B. The JFTC actively brings charges seeking criminal punishment in vicious and serious cases that are considered to have a widespread influence on the lives of people. In FY 2008, the JFTC filed criminal accusations with the Prosecutor General against 3 manufacturers and distributors and 6 individuals in a case concerning the price-fixing cartel of hot-dip galvanized steel sheets.
- C. During FY 2008, the JFTC initiated hearing procedures on 110 cases. The JFTC endeavored to conduct hearings in a careful and effective manner while maintaining due process. Decisions were rendered in 58 cases during FY 2008.

## (2) Appropriate Implementation of Business Combination Regulations, etc.

The AMA prohibits mergers, stockholdings, and other transactions that substantially restrain competition in particular fields of trade. Due to the globalization of corporate activities and rapid changes in the economic environment, an increasing number of large-scale business combinations, such as mergers involving large companies, are being proposed. In light of these developments, the JFTC is committed to preserving the competitive structure of Japanese markets through the appropriate implementation of regulations on business combinations. During FY 2008, the JFTC took appropriate actions on the following proposed business combinations and published the details of these cases in order to further enhance transparency and predictability in its review of business combinations.

### <Main Business Combination Cases during FY 2008>

- Capital tie-up of Kirin Group and Kyowa Hakko Group
- Acquisition of Rio Tinto Limited's shares by BHP Billiton Limited, etc.

## 3 Response to the Globalization of the Economy

The globalization of business activities in recent years has given rise to an increasing number of cases involving violations of the competition laws of multiple countries and cases in which competition law enforcement activities of one country may affect the interests of others. These developments have enhanced the need for the internationalization of enforcement activities and the strengthening of cooperation and liaison among competition authorities. Under these circumstances, the JFTC proactively participated in the activities of the International Competition Network (ICN), including the hosting of the Seventh Annual ICN Conference held in Kyoto in April 2008. The JFTC is also an active participant in multilateral forums and discussions, such as the Organization for Economic Co-operation and Development (OECD), Asia-Pacific Economic Cooperation (APEC) and the United Nations Conference on Trade and Development (UNCTAD). In addition to these activities, the JFTC is playing a leadership role in organizing the East Asia Conference on Competition Law and Policy and the East Asia Top Level Officials' Meeting on Competition Policy.

The JFTC is strengthening its cooperative relations with the competition authorities of other countries through bilateral antitrust cooperation agreements and other initiatives. The JFTC is working with various government ministries and agencies and is participating in negotiations for economic partnership agreements to establish competition policies as an important element in such agreements. Due to a growing awareness of the importance of competition laws and policies in a market economy, developing countries and transition economies are acting to

strengthen their existing competition law systems or to introduce new ones. The JFTC provides the competition authorities of such countries with technical assistance by organizing training programs and through other means.

The JFTC is also working to enhance its international presence and to provide information on Japan's competition policies globally through the distribution of English-language pamphlets, development of its English-language website, and the dispatch of speakers to seminars and conferences organized by overseas bar associations or other organizations.

The major international activities of the JFTC during FY 2008 were as follows.

**<The JFTC'S Main International Activities during FY 2008>**

- Hosting of the Seventh Annual ICN Conference (April 2008)
- East Asia Top Level Officials' Meeting on Competition Policy (April 2008)
- Discussions with competition authorities (EU, South Korea, Canada, the US, and Germany)
- Participation in economic partnership agreement negotiations (Vietnam, Swiss, Australia, and others)
- Organizing training programs on competition policy (China, Vietnam, etc.)

#### **4 Surveys and Proposals to Create a Positive Competition Environment**

##### **(1) Surveys on Regulatory Reform in Public Utilities**

To maintain fair competition in the public sector, the JFTC has published guidelines on issues related to the AMA—such as obstacles to entry—and is engaged in surveys and the formulation of proposals concerning regulatory reform. During FY 2008, the JFTC issued guidelines and conducted surveys in this field, including those listed below.

**<Surveys on Regulatory Reform in Public Utilities, etc.>**

- “Survey on the actual situation of transactions in the city gas industry” (Published in June 2008)
- Amendment of “Guidelines for Proper Electric Power Trade” (Published in March 2009)

##### **(2) Promotion of measures for improvement of corporate compliance**

In order to further promote fair and free competition in economic trade, it is necessary to strictly implement the AMA, to improve the corporate compliance, and to support relevant corporate activities. Based on this philosophy, the JFTC published the report “Situation of compliance within foreign affiliate companies and survey on corporate compliance from the viewpoint of lawyers – Focusing on the Antimonopoly Act -” in May 2008 and the report “Survey on situation of corporate compliance system – Situation after the implementation of the amended Antimonopoly Act (January 2006) -” in March 2009.

#### **5 Efforts to Promote a Rule-based Competitive Society**

##### **(1) Vigorous Elimination of Violations of the Subcontract Act**

In FY 2008, “Emergent and comprehensive measures for creation of untroubled living” (August 2008), “Measures for living conditions” (October 2008), and others were established in order to address the current difficult economic situation and under these policies stringent measures against violations causing unreasonable disadvantages to small and medium enterprises were repeatedly introduced. Based on these circumstances, the JFTC strictly and

promptly enforces the Act against Delay in Payment of Subcontract Proceeds, Etc. to Subcontractors (Subcontract Act) and strives to eliminate practices hindering the autonomous business activities of small and medium enterprises, aiming to ensure fairness in subcontracting transactions and to protect the interest of subcontractors.

In FY 2008, with the aim of ensuring fairness in subcontracting transactions and protecting the interests of subcontractors, the JFTC issued recommendations in 15 cases, issued warnings in 2,949 cases, and gave instructions to refund the payments in the total amount of 2,951,330,000 yen in cases of reduction of subcontracting payments. The main recommendation cases are as follows.

**<Main Recommendation Cases during FY 2008>**

- Compulsory buying imposed on subcontractors by a road freight transportation enterprise (main subcontracting enterprise)
- Reduction of subcontracting payments and beating down of price by a transportation machine and equipment manufacturing enterprise (main subcontracting enterprise)
- Reduction of subcontracting payments and beating down of price by a house furniture and fixtures manufacturing enterprise (main subcontracting enterprise)

**(2) Promotion of Appropriate Provision of Information to Consumers as Market Participants**

**A. Vigorous Elimination of Violations of the Premiums and Representations Act**

With the growing diversification of goods and services and sales methods targeting consumers, the JFTC has strived to eliminate misleading representations through the strict and swift enforcement of the Act Against Unjustifiable Premiums and Misleading Representations (Premiums and Representations Act) to prevent obstructions to the proper selection of products by consumers.

During FY 2008, the JFTC addressed cases in a proactive manner, issuing cease and desist orders in 52 cases and warnings in 9 cases. The main cease and desist orders issued are as follows:

**<Main Cease and Desist Orders Issued during FY 2008>**

- Misleading representation of a combination ratio of recycled papers in copy papers
- Misleading representation of contents of mineral water
- Misleading representation of IP telephone charges
- Misleading representation of a product claiming itself to have an effect to eliminate the unpleasant smell of breath, body and bodily waste
- Misleading representation of the morphological stabilization processing of shirts

**B. Normalization of Consumer Transactions**

- (i) As a result of advances made in regulatory reform, it has become increasingly important to provide appropriate information to consumers and to ensure proper product selection by consumers. For this purpose, the JFTC has strived to eliminate misleading representations and other improper practices through the strict enforcement of the Premiums and Representations Act. The JFTC also conducted surveys on the actual status of representations for certain products and services of keen interest to consumers. Based on these findings, the JFTC has worked to ensure appropriate consumer

transactions, among others, by publishing its opinions on misleading representations in these business fields in light of the provisions of the Premiums and Representations Act.

- (ii) In recent year, consumer damages are rapidly increasing due to diversification of products and services. Under such circumstance, the bill for partial amendments of the Consumer Contract Act, etc. was proposed and the bill was established on April 25, 2008

In these amendments, the amendment for the introduction of the consumer class action system against violations of the Premiums and Representations Act is related to the JFTC. Specifically, the Premiums and Representations Act is partially amended so that an applicable consumer group can submit a petition for injunction on misleading representation when an entrepreneur conducts or is likely to conduct any misleading representation by which the substances or transactional conditions of its goods or services are shown to many general and unspecified consumers to be much better than its actual goods or services or much better than goods or services of other entrepreneurs.

The above amendment which is related to the JFTC has been implemented from April 1, 2009.

- (iii) With the aim to actively engage in realization of “safe and comfortable market” and “good quality market” as a whole government, the cabinet decided on June 27, 2008 that a new organization would be established to unify the consumer administration under the basic plan for consumer administration promotion and accordingly, the jurisdiction over the Premiums and Representations Act was transferred to the Consumer Affairs Agency after necessary reviewing. Based on the above, the bill for the Act for Establishment of Related Laws Associated with the Implementation of the Act for Establishment for the Consumer Affairs Agency (including the amendment of the Premiums and Representations Act), the bill for the Act for Establishment of the Consumer Affairs Agency, and the bill for the Consumer Safety Act were submitted to the 170<sup>th</sup> extraordinary Diet session on September 29, 2008 (hereinafter referred to as the “3 bills related to the Consumer Affairs Agency”). Thereafter, the House of Representatives made modifications to the bills in the 171<sup>st</sup> ordinary Diet session and the bills passed the House of Representatives on April 17, 2009 and the House of Councillors on May 29, 2009 respectively, and were established.

In accordance with the establishment and implementation of the Act for Establishment of Related Laws Associated with the Implementation of the Act for Establishment of the Consumer Affairs Agency and Consumer Committee (Law No. 49, 2009; The amendment of the Premiums and Representations Act is included), the Act for Establishment of the Consumer Affairs Agency and Consumer Committee (Law No. 48, 2009), and the Consumer Safety Act (Law No. 50, 2009) (hereinafter referred to as the “3 acts related to the Consumer Affairs Agency”) on September 1, 2009, the jurisdiction over the Premiums and Representations Act was transferred to the Consumer Affairs Agency.

- (3) Approaches to Unjust Low Price Sales, Abuse of Superior Bargaining Position, and

## Other Unfair Trade Practices

### A. Approaches to Unjust Low Price Sales

The JFTC takes prompt action against unjust low price sales cases in the retail sector. In particular, in cases of unjust low price sales by large-scale enterprises and in cases of repeated unjust low price sales that are believed to have a large impact on surrounding distributors, the JFTC conducts individual investigations into the influence on the business activities of the surrounding distributors and other issues, and deals strictly with cases by adopting legal measures where problems are noted.

In FY 2008, the JFTC issued 3,654 cautions to retailers and wholesale distributors of liquors, petroleum products, and household electrical products, while possible unjust low price sales were recognized in those businesses (795 cases for liquors, 430 cases for petroleum products, 2,364 cases for household electrical products, and 65 cases for others).

### B. Approach to Abuse of Superior Bargaining Position

The JFTC has long conducted surveillance so that abuse of superior bargaining position that constitutes unfair trade practices under the AMA will not occur, and has responded strictly to the conducts that violate the AMA. In FY 2008, the JFTC issued cease and desist orders in 4 cases and a warning in 1 case.

In order to strengthen the monitoring of the violations against the AMA, which fall under the provisions of the “Designation of Specific Unfair Trade Practices when Specified Shippers Assign the Transport and Custody of Articles” (hereinafter referred to as the “Logistics Specific Designation”), the JFTC established in February 2008 the “Logistics Investigation Task Force” specializing in the investigation of unfair practices in transactions between shippers and logistics entrepreneurs and conducted the documentary investigation on 28,530 logistics entrepreneurs and the investigation based on the information obtained through such documentary investigation, etc.

Consequently, during FY 2008, the JFTC issued cautions to 25 shippers engaging in activities that might violate the AMA (Logistics Specific Designation). The JFTC also issued warnings to 2 shippers engaging in activities that might violate the AMA (Logistics Specific Designation) on April 15, 2009.

## Chapter 2: Works in Each Area

---

The works conducted by the JFTC during FY 2008 are summarized by category as follows.

### **1** Development in Antimonopoly Related Laws and Systems

#### (1) Amendment of the Antimonopoly Act and Related Laws

- A. The bill for partial amendment of the AMA was submitted to the 171st ordinary Diet session on February 27, 2009. The bill was passed by the House of Representatives on April 27, 2009; was passed by the House of Councillors and established on June 3, 2009; and was promulgated on June 10.
- B. The bill for partial amendment of the Consumer Contract Act, etc. was submitted to the 169th ordinary Diet session on March 4, 2008. The bill was passed by the House of Representatives on April 15, 2008; passed by the House of Councillors and established on April 25, 2008; and the part related to the Premiums and Representations Act was implemented on April 1, 2009.
- C. The 3 bills related to the Consumer Affairs Agency were submitted to the 170th extraordinary Diet session on September 29, 2008. After the modification by the House of Representatives on April 17, 2009 during the 171st Diet session, the 3 bills were passed by the House of Councillors and established on May 29, 2009; were promulgated on June 5, 2009; and were implemented on September 1, 2009.

#### (2) Coordination between the Antimonopoly Act and other economic laws, etc.

During FY 2008, the JFTC engaged in coordination with the relevant government authorities when they were drafting the bill for the Act on Special Measures concerning Improvement and Revitalization of the General Passenger Automobile Transportation Business in Specific Areas, etc.

### **2** Investigation and Disposition of Suspected Violations of the Antimonopoly Act

- (1) During FY 2008, the JFTC investigated 142 suspected violations of the AMA and completed 123 of those investigations.
- (2) During FY 2008, legal measures were taken in 17 cases. By category, the 17 cases were broken down into 1 case of private monopolization, 8 cases of price-fixing cartels, 1 case of other cartel, 2 cases of bid-riggings, and 5 cases of unfair trade practices (Figure 1). In addition, the JFTC issued surcharge payment orders in the total amount of 27,036,420,000 yen (Figure 2).

During FY 2008, the JFTC also received a total of 85 reports of facts from entrepreneurs regarding their own violations under the leniency program.

- (3) The JFTC also issued 4 warnings to practices that might violate the Act and 87 cautions to practices that might lead to violations (excluding 3,654 cautions in the expedited investigation process that were issued against the cases of unjust low price sales) and strived to implement promptly and appropriately the law.



Figure 1: No. of Cases with Legal Measures Taken

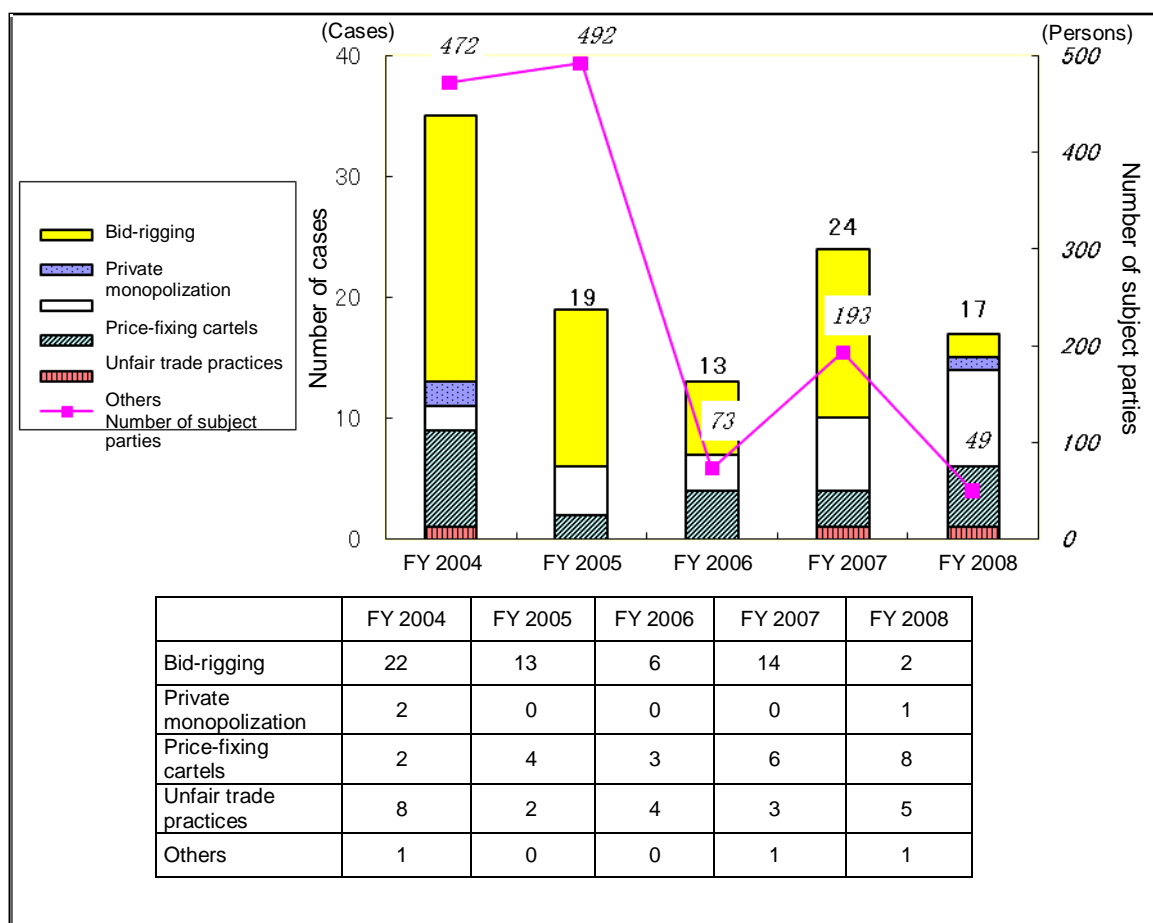
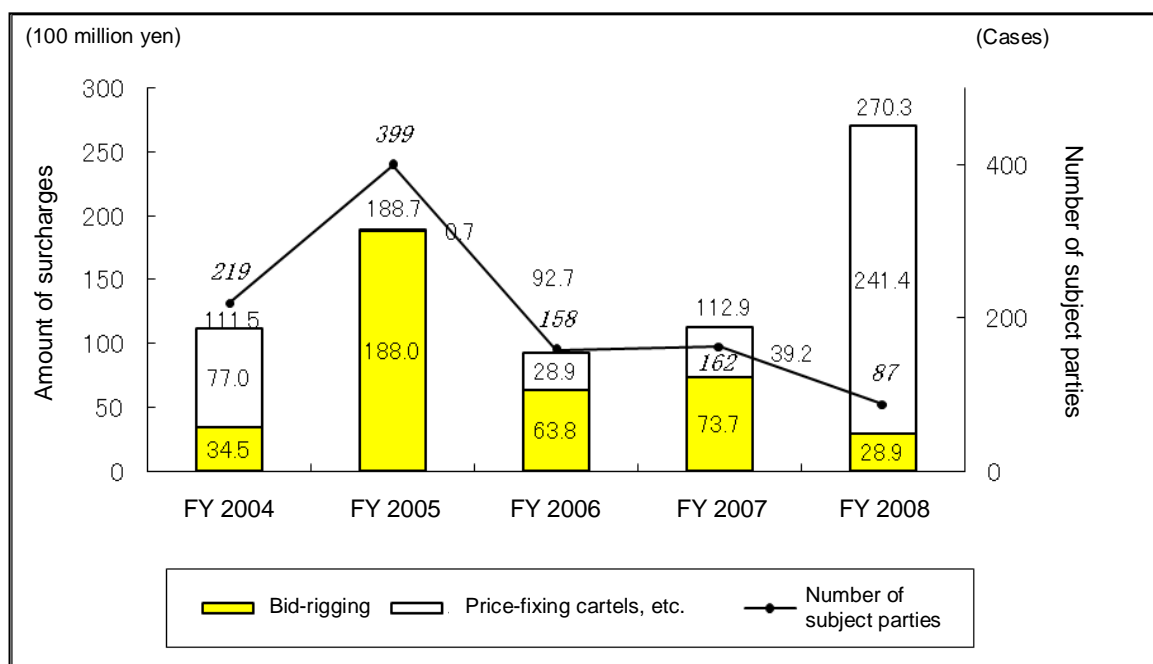


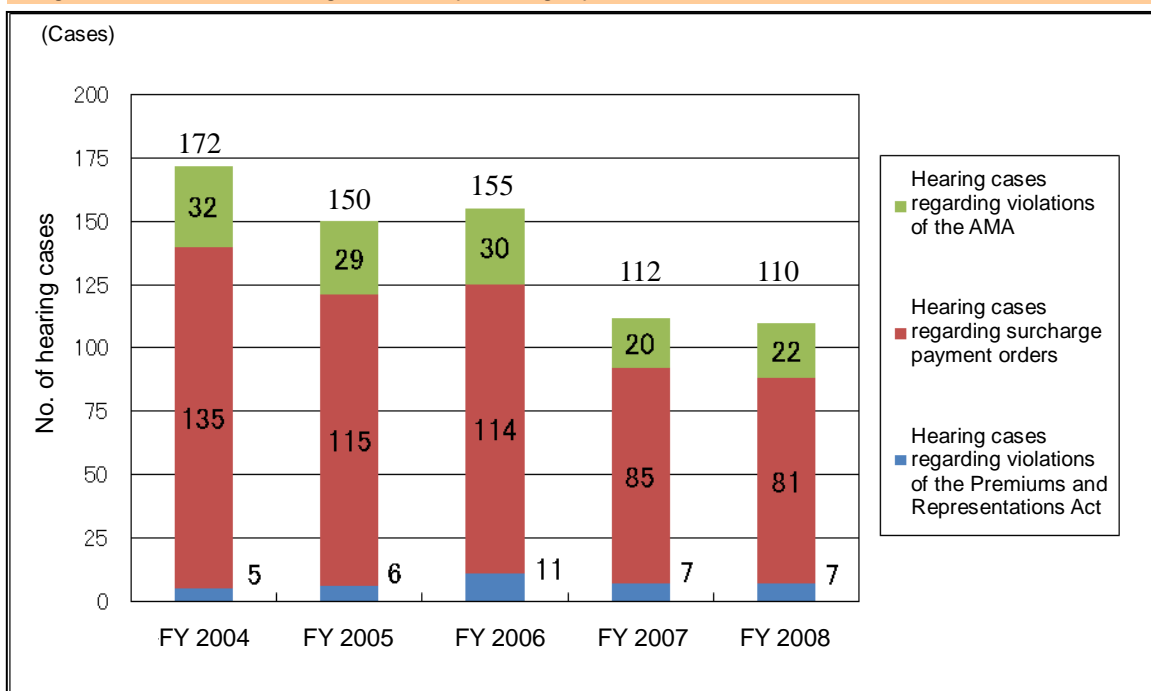
Figure 2: Amount of Surcharges



(Note) Includes decisions on surcharge payment under the former law prior to the implementation of the 2005 amended AMA (meaning the Act for the Partial Amendment of the Antimonopoly Act [Law No. 35, 2005] and hereinafter the same will apply), and excludes surcharge payment orders nullified by the initiation of hearing procedures under the former law.

- (4) The total number of hearing procedures in progress amounted to 110 cases during FY 2008 (22 cases regarding violations of the AMA, 81 cases regarding surcharge payment orders, and 7 cases regarding violations of the Premiums and Representations Act). Of these, 96 cases were continued from the previous fiscal year, while 14 cases were newly initiated during FY 2008 (Figure 3). Among these cases, decisions were rendered on 58 cases during FY 2008. The breakdown of the 58 decisions was as follows: Decisions were made in 47 cases under the former law prior to the implementation of the 2005 amended AMA (hearing decisions in 5 cases, consent decisions in 5 cases, and surcharge payment decisions and others in 37 cases), decisions were made in 11 cases under the law after the implementation of the 2005 amended AMA (Decisions regarding cease and desist orders in 3 cases and decisions regarding surcharge payment orders in 8 cases). In addition, parties involved in the procedures withdrew their requests for hearings in 4 cases. As a result, the number of hearing procedures in progress as of the end of FY 2008 (continued over to FY 2009) amounted to 54 cases. (In the hearing decision indicated in Chapter 3, 2-1-(1) below, procedures for some of the involved parties were separately conducted and decisions were also separately made. Therefore, the number of the procedures in progress is counted as 1 but the number of the hearing decisions is counted as 2. The consent decisions in 5 cases pertained to some of the involved parties of the hearing cases in progress. However, this did not affect the total number of hearing procedures in progress because procedures remained in place for other parties involved in these cases.)

Figure 3: No. of Hearing Cases by Category





### **3** Survey and Proposals regarding Regulatory Reform and Competition Policy

#### **(1) Activities for regulatory reform**

- (a) With the aim of assessing the changes, etc., of the current status of the city gas industry associated with the development of regulatory reforms, the JFTC implemented questionnaire surveys to gas businesses, etc., and prepared and published the report “Surveys on current status of trade in the city gas industry” in June 2008.
- (b) The Electricity Industry Committee of the Advisory Committee for Natural Resources and Energy, which has been established in the Ministry of Economy, Trade and Industry, coordinated the result of surveys on the 4<sup>th</sup> electricity business system reform and issued a proposal from the viewpoint of facilitating the competition environment of the electricity market. Accordingly, the JFTC amended the “Guidelines for Proper Electric Power Trade” jointly with the Ministry of Economy, Trade and Industry and published the guidelines on March 31, 2009.

#### **(2) Activities for the improvement of corporate compliance**

In order to further promote fair and free competition in economic trade, it is necessary to strictly implement the AMA, to improve the corporate compliance, and to support relevant corporate activities. Based on this philosophy, the JFTC published the report “Situation of compliance within foreign affiliate companies and survey on corporate compliance from the viewpoint of lawyers – Focusing on the Antimonopoly Act -” in May 2008 and the report “Survey on situation of corporate compliance system – Situation after the implementation of the amended Antimonopoly Act (January 2006) -” in March 2009.

#### **(3) Activities for public procurement system reform**

The JFTC has long conducted questionnaire surveys on activities for bidding system reform and enhancement of compliance in ordering organizations of local public authorities and expressed its thinking regarding a right direction of competition policy for public procurement. During FY 2008, with the participation of responsible officers from national government, local governments, etc., and experts, the JFTC (1) exchanged opinions regarding activities for enhancement of compliance in each ordering organization and (2) surveyed the bidding system reform in each ordering organization and activities for associated issues. By doing so, with the aim to further promote effective activities, the JFTC held “Investigative commission on activities and promotion of public procurement reform,” coordinated the results of the survey into a report, and published the “Report of the investigative commission on activities and promotion of public procurement reform” in May 2008.

### **4** Clarification of Law Enforcement and Prevention of Violations of the Antimonopoly Act

To prevent violations of the AMA in advance, the JFTC provides individual consultations to enterprises and business groups that seek guidance as to whether the specific business activities they are planning to implement would be in violation of the AMA. During FY 2008, the JFTC provided consultations regarding 2,272 cases of individual company activities and regarding 419 cases of business association activities.

## 5 Preparation of Theoretical and Empirical Bases for Competition Policy

Since the formation of the Competition Policy Research Center in June 2003, the center develops its activities to strengthen the theoretical bases for implementation of the AMA, etc., and planning, preparation, and evaluation of competition policy. In FY 2008, the center addressed 9 research themes and vigorously conducted activities that included an international symposium (held jointly with the Center for Economic Institutions of Hitotsubashi University, Nikkei Inc., and the Fair Trade Institute), 14 workshops, and 6 public seminars.

## 6 Works Related to Business Combination Regulations

In works related to business combinations under the provisions of Articles 9 through 16 of the AMA, the JFTC approved 9 cases of holding of voting rights for banks and insurance companies; received 92 reports regarding holding companies and other matters; 4 notifications regarding the establishment of holding companies, etc.; 179 notifications regarding such matters as mergers, spin-offs, and business transfers; 829 reports regarding the shareholdings of operating companies; and conducted necessary examinations (Figures 4 and 5).

Figure 4: Receipt of Notifications regarding Mergers, Spin-offs, and Business Transfers

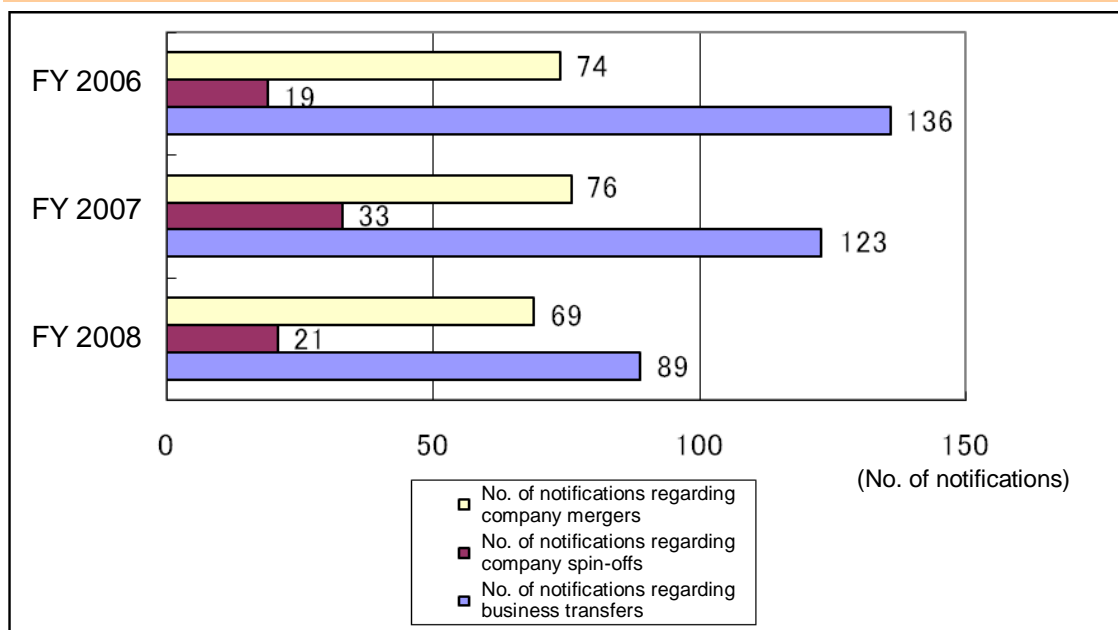
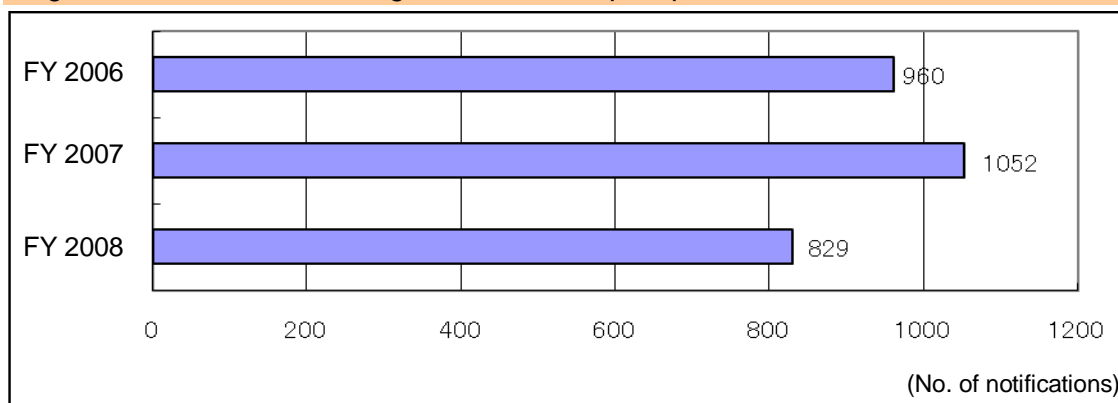


Figure 5: No. of Shareholdings and Ownership Reports Submitted



## 7 Surveying of Business Activities

In addition to the disposition of cases in violation of the AMA, the JFTC strives to prevent violations by surveying business activities as needed. During FY 2008, the JFTC conducted a survey of the status of the animation industry. The JFTC published its survey results in January 2009 and made recommendations from the perspective of competition policy.

## 8 Works regarding Business Associations

The JFTC received 63 notifications of establishment; 1,119 notifications of changes; and 47 notifications of dissolution of business associations based on the provisions of paragraphs 2 to 4 of Article 8 of the AMA.

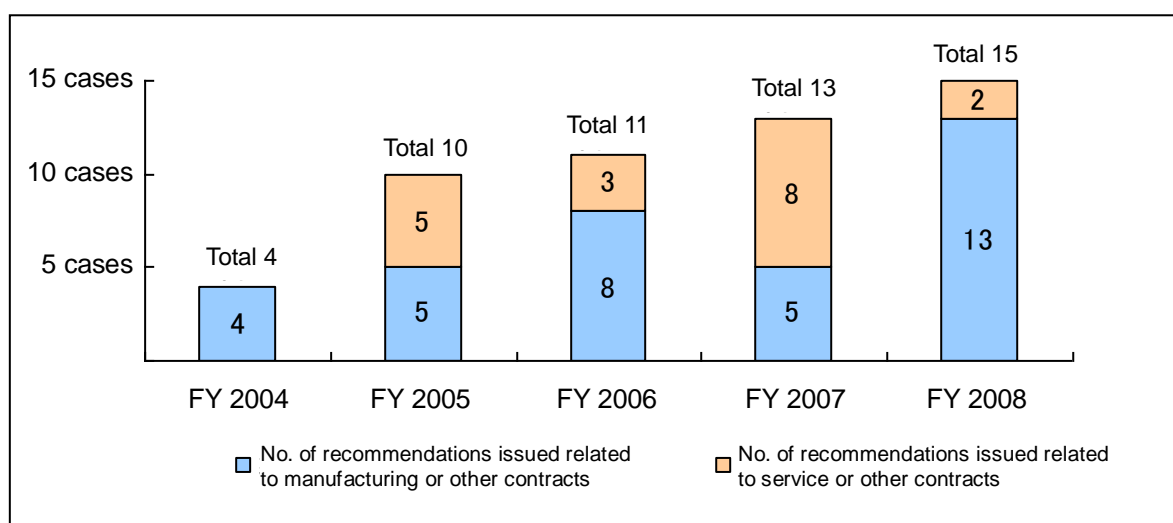
## 9 Works Related to the Subcontract Act

To ensure fair subcontract transactions and to protect the interests of subcontractors, the JFTC conducted documentary surveys on 34,181 main subcontracting enterprises and 160,230 subcontractors engaged in transactions with such enterprises. Pursuant to documentary surveys, the JFTC issued recommendations in 15 cases (13 cases regarding manufacturing contract and 2 cases regarding service contract) (Note) (Figure 6) and issued 2,949 warnings based on the Subcontract Act.

In cases related to delay in payment of subcontract proceeds, a total amount of 234,810,000 yen was paid by 39 main subcontracting enterprises to 1,456 subcontractors as interest on delayed payments. In cases related to the reduction of subcontracting payments, a total amount of 2,951,330,000 yen was reimbursed by 50 main subcontracting enterprises to 2,022 subcontractors.

(Note) “Manufacturing contract” means the manufacturing contract and repair contract and “service contract” means the information-based product creation contract and service contract and hereinafter the same will apply.

Figure 6: Disposition of Cases under the Subcontract Act

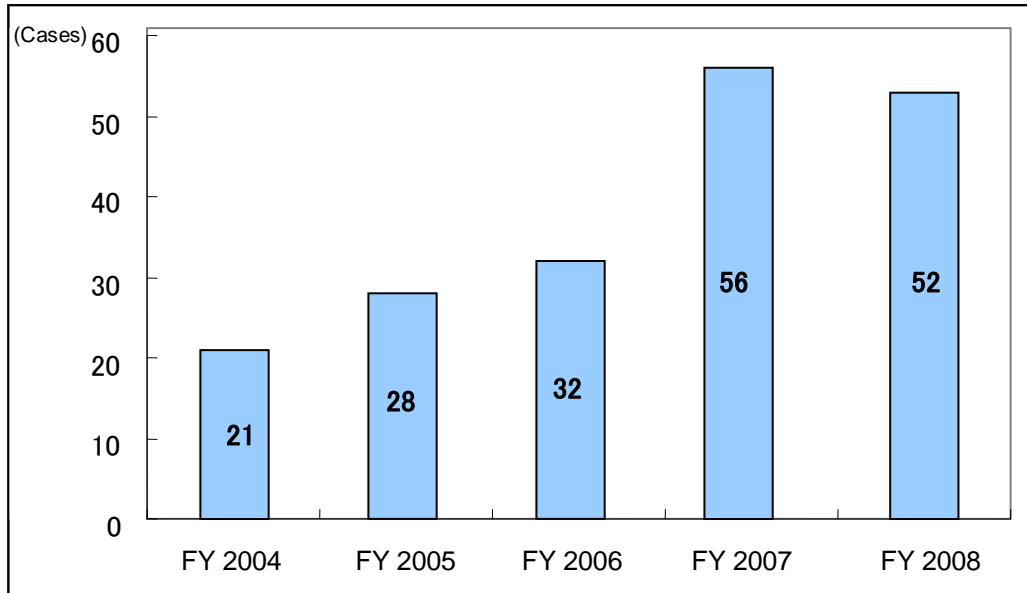


Note: In certain recommendation cases, violations were found in multiple types of subcontracting. The above numbers reflect the primary type of subcontracting in such cases.

## 10 Works Related to the Premiums and Representations Act

The JFTC issued cease and desist orders in 52 cases regarding representations (Figure 7), warnings in 9 cases regarding representations, and cautions in 24 cases regarding premiums and 527 cases regarding representations, based on the Premiums and Representations Act.

Figure 7: Disposition of Cases under the Premiums and Representations Act



In works at the prefectural level related to the Premiums and Representations Act, instructions were issued in 21 cases (all regarding representations) and cautions in 666 cases (33 regarding premiums, and 633 regarding representations) based on the Act.

During FY 2008, the JFTC newly approved 2 Fair Competition Codes and changes to 5 existing Fair Competition Codes. A Fair Competition Code is a set of industry rules regarding premiums and representations, which is voluntarily established by enterprises and business associations with the approval of the JFTC.

## 11 Works Related to International Relations

The JFTC hosted the Seventh Annual International Competition Network (ICN) Conference that was held in Kyoto in April 2008. Total of approximately 500 persons, including top-level and staff-level officers of competition authorities from countries and regions all over the world and lawyers in private practice, participated in the Conference. At the Conference, each working group reported its achievements following the previous annual conference in May 2007 and “Settlement in cartel cases,” “Recommended practices for business combination reviews,” and others were approved. As a special program, which was planned and operated by the hosting authority for discussion on the issue of concern selected by the hosting authority, the JFTC held a panel discussion for “abuse of superior bargaining position.” Further, the JFTC actively participated in the activities of the ICN, contributing to the activities of each working group. The JFTC also actively participated in international conferences such as the Organization for Economic Co-operation and Development (OECD), the Asia Pacific Economic Cooperation (APEC), the United Nations Conference on Trade and

Development (UNCTAD), the East Asia Top Level Officials' Meeting on Competition Policy, and others.

The JFTC also held bilateral consultations to exchange opinions regarding common competition policy issues with competition authorities from the EU, South Korea, Canada, the US, and Germany.

## **12** Works Related to Public Information, etc.

The JFTC produced and distributed various types of pamphlets, and provided PR videos and DVDs for free rental. The JFTC also engaged in activities such as the distribution of movies via the Internet, enhancement of its website, and publishing of an email magazine. In an effort to deepen understanding regarding competition policy, the JFTC held Antimonopoly Policy Cooperation Committee Meetings in 9 cities around the country, and JFTC Commissioners exchanged opinions with local experts at 8 cities nationwide. The JFTC also dispatched lecturers for public lectures and other events organized by universities, dispatched lecturers to speak on the role of competition in economic activities and other issues at the request of junior high schools, and otherwise worked to spread knowledge of competition policy through school education.

## **13** Other Works

The JFTC implements policy evaluations based on the Government Policy Evaluations Act. During FY 2008, the JFTC implemented and published an ex-ante evaluation of "Introduction of prior notification system for acquisition of company shares, change of calculation criteria for notification by share acquisition company, etc., and introduction of substantive provision and notification provision for joint share transfer, etc." and 8 ex-post evaluations including "Business combination reviews" (FY 2007).