

Enforcement Status of the Antimonopoly Act in FY2010 (Summary)

Jun. 1. 2011

Japan Fair Trade Commission

□ The number of cease and desist orders : **12 cases**

Bid-rigging	4	Including a case of Government-Assisted Bid Rigging
Price-fixing cartels	6	—
Abuse of superior bargaining position	1	—
Trading on restrictive terms	1	—

□ The total payment orders : **875million US \$ (new high)**

➤ Average surcharge per entrepreneur: 5.6 million US\$ (new high)

※Exchange rate(Trade Statistics of Japan) FY2010 82.35¥/\$

□ JFTC protects consumer interest ,

by eliminating price-fixing cartels and bid riggings.

- The market size of 10 legal measures is 4400 million US \$ in total.
- The fields closely relating to people's living are also protected.
- Government-Assisted Bid Rigging , in which officials working for central/local government offices harm public interest, is also included .

(Bidding for Engineering Works ordered by the City of Aomori)

The fields closely relating to people's living	The relation to people's living (Example)
Optical fiber cable	Internet
Electric wire	Wiring inside the factories, buildings, and houses
Shutter	Garages, Gateway of stores and buildings
Engineering work	Road maintenance, River improvement

- After the introduction of the leniency program (Since Jan. 2006)
→ The leniency program has been **implemented well**.

FY	2005	2006	2007	2008	2009	2010	Total
Applications	26	79	74	85	85	131	480

- The contents of the leniency applications are **important information sources** of price-fixing cartels and bid-riggings.

FY		2005	2006	2007	2008	2009	2010	Total
The number of price-fixing cartels and bid-riggings etc		17	9	20	11	22	10	89
	Leniency applied cases (published)	0	6	16	8	21	7	58
	Leniency applied companies (published)	0	16	37	21	50	10	134

※The period of FY2005 is between Jan. 4, 2006 and Mar. 31.

□ After the introduction of the leniency program
(Since Jan. 2006)

→ The size of price-fixing cartel cases enlarges.

□ Legal measures against price-fixing cartels
in the large market fields

Main fields	Market size (for one year)	FY
Hot-dip galvanized steel sheets	2109 million US \$	2009
Electric wire	2159 million US \$	2010
Vinyl chloride pipes	1531 million US \$	2008
Optical fiber cable	574 million US \$	2010

※Exchange rate(Trade Statistics of Japan)

FY2010 82.35¥/\$ FY2009 90.09¥/\$ FY2008 96.38¥/\$

- JFTC ensures the opportunity of consumers to compare prices.
 - Cease and Desist Order against Johnson & Johnson K.K. (Dec. 2010)
 - Johnson & Johnson forced its partner retailers not to display the selling price for contact lenses in their advertisements.
 - The opportunities for consumers to compare prices were remarkably missed because the price competition among partner retailers was avoided.

□ Strictly coping with infringement.

- Cease and Desist Order against Royal Home Center Co. Ltd, returning goods and coercing the suppliers of goods into dispatching employees unreasonably. (Jul. 2010)

□ Prevention of the acts that cause unfair disadvantages to SMEs.

- Establishment of “Task Force against abuse of Superior Bargaining Position Cases ” (Nov. 2009)
- Efficient and effective investigation
- Cautions are issued to large-scale retailers whose practice whose actions might raise a problem

FY	2008	2009	2010
The number of cautions	8	22	55

□ Prevention of the acts that cause unfair disadvantages to SMEs.

- Basically, the investigation should be within 2 months, and cautions are issued to entrepreneurs whose actions may lead to infringements before disadvantages actually occur .

FY	2008	2009	2010
Liquor	795	700	1, 028
Oil products	430	956	714
Consumer electronics	2, 364	1, 425	856
Others	65	144	102
Total	3, 654	3, 225	2, 700