

JFTC Published the Results of Fact-Finding survey on the Trades between Large-Scale Retailers and Suppliers.

July 11, 2012

Japan Fair Trade Commission

The JFTC conducted the fact-finding survey on the trades between large-scale retailers and their suppliers, in terms of the abuse of superior bargaining position prohibited by the Antimonopoly Act (AMA).

The JFTC sent questionnaires to 822 large-scale retailers and 10,000 suppliers and received answers from 447 large-scale retailers and 2,228 suppliers (note 1).

(note 1) 822 large-scale retailers were randomly sampled from retailers in Japan whose annual revenues were 7 billion yen or more. 10,000 suppliers were randomly sampled from suppliers in Japan which seemed to deal with such large-scale retailers.

Large-scale retailers and suppliers which have already closed down or suppliers which do not deal with large-scale retailers are excluded from the numbers of the answers.

Main points of the survey results are as follows:

1) The JFTC examined how many suppliers had experienced requests or conducts by large-scale retailers which could lead to the abuse of superior bargaining position.

According to the results, the percentages of the suppliers which had experienced the requests or conducts are 8.4% for payment of monetary contribution, etc., 5.9% for return of goods and 5.4% for purchasing unnecessary products and/or services.

2) The percentage of the suppliers which bear all the cost due to the requests or conducts by the retailers is more than 70%. On the other hand, some of suppliers answered that they could not bear all the cost by themselves and their group corporations, and requested their suppliers to bear the cost.

3) As to the recognition of the Guidelines Concerning Abuse of a Superior Bargaining Position under the AMA (Guidelines) (note 2) among large-scale retailers, 78.2% of employers and employees at large-scale retailers whose annual revenues are 10 billion yen or more answered that they knew the Guidelines including their contents, 19.8% answered that they knew the name/ existence of the Guidelines and 2.0% answered that they did not know the Guidelines at all. For large-scale retailers whose annual revenues

are less than 10 billion yen, 59.5% of employers and employees answered that they knew the Guidelines and their contents, 35.2% answered that they knew the name/existence of the Guidelines, and 5.3% answered that they did not know the Guidelines at all.

(note 2)

http://www.jftc.go.jp/en/legislation_guidelines/ama/pdf/101130GL.pdf

Based on the survey results, the JFTC will make every effort to promote fair trade between large-scale retailers and suppliers and to prevent the abuse of superior bargaining position by, for example, holding seminars about the Guidelines, especially, for the retailers whose annual revenues are less than 10 billion yen. Furthermore, the JFTC requested the trade associations of large-scale retailers to take a voluntary action for the fair trade between large-scale retailers and suppliers, such as informing the members about the Guidelines, Designation of Specific Unfair Trade Practices by Large-Scale Retailers Relating to Trade with Suppliers (note 3) and others.

(note3)

http://www.jftc.go.jp/en/legislation_guidelines/ama/pdf/dsutp.pdf

*For more detailed and exact information, please visit

● (Japanese)

*Every announcement is a tentative translation.