

The JFTC Issued Cease and Desist Orders and Surcharge Payment Orders to Manufacturers of High-Fructose Corn Syrup and Manufacturers of Starch Syrup and Glucose

June 13, 2013

Japan Fair Trade Commission

The Japan Fair Trade Commission (JFTC) today issued cease and desist orders and surcharge payment orders to manufacturers of specific high-fructose corn syrup (HFCS) (Note 1) (Note 2) and manufactures of specific starch syrup and glucose (Note 3) (Note 4), finding that they substantially restrained competition in the fields of selling the specific HFCS and specific starch syrup and glucose, in concert with one another, by concluding agreements, at the latest by December 28, 2010, to raise the selling prices of specific HFCS and specific starch syrup and glucose. The aggregated amount of the surcharges ordered is 2,572.45 million yen.

Before issuing the cease and desist orders and the surcharge payment orders, the JFTC notified the said enterprises of the contents of the planned orders and provided them with opportunities to present their opinions and submit evidence. The JFTC issued the orders taking the opinions and the evidence submitted into consideration. The recipients dissatisfied with the orders may request, within sixty days of the date on which the transcript of the orders were served, the JFTC to initiate hearing procedures regarding the orders.

(Note1) “High-fructose corn syrup (HFCS)” means sweet substance containing glucose monomeric sugar hydrolyzed from corn-derived starch by amylase, other enzymes or acids, and partly isomerized to fructose by glucose isomerase or alkali.

(Note2) “Specific HFCS” means HFCS sold to customers at the prices through the pricing system other than “rule-based pricing” (a pricing system that determines prices by putting into a certain calculation formula variable index figures such as “sell-back prices” defined under Article 15(1) of the Act on Price Adjustment of Sugar and Starch (Act No. 109 of June 2, 1965)) and “fixed prices” (a pricing system where prices remain unchanged throughout a particular period of time such as a yearlong period and a calendar year period).

(Note3) “Starch syrup and glucose” means sweet substance other than HFCS containing sugar hydrolyzed from corn-derived starch by amylase, other enzymes or acids.

(Note4) “Specific starch syrup and glucose” means starch syrup and glucose sold to customers at the prices through the pricing system other than “rule-based pricing” and “fixed prices.”