

The JFTC Issued Cease and Desist Order and Surcharge Payment Order to Steel Ball Manufacturer

September 9, 2014
Japan Fair Trade Commission

The Japan Fair Trade Commission (JFTC) today issued the cease and desist order and the surcharge payment order to Tsubaki Nakashima Co., Ltd (Tsubaki Nakashima), finding that the company and Amatsuji Steel Ball Mfg. Co., Ltd, at the latest by October 7, 2010, for the purpose of preventing the decline of the selling prices of steel balls^(Note) and benefiting themselves, agree to mutually raise or maintain the selling prices of steel balls, and thereby, contrary to the public interest, substantially restrained competition in the fields of selling steel balls.

In accordance with the agreements, the companies, among things:

- (1) exchanged information on variation of purchase price of steel, decided policy of revising the selling prices of steel balls and then fixed revision rates of the selling prices of steel balls from existing prices to submit to users etc.;
- and
- (2) exchanged information on situation of cost reduction request from the main users and fixed revision rates of the selling prices of steel balls from existing prices to submit to the main users etc..

The total amount of the surcharge to be paid is 1,324.71 million yen.

Before issuing the cease and desist order and the surcharge payment order, the JFTC had notified Tsubaki Nakashima of the contents of the proposed orders and provided it with an opportunity to present its opinion and submit evidence. The JFTC issued the orders taking the opinion and the evidence submitted into consideration. A recipient dissatisfied with a JFTC order may request, within sixty days of the date on which the transcript of the order is served, request the JFTC to initiate hearing procedures regarding the order.

(Note) "Steel ball" means ball made of steel, most commonly used in bearings, except for pachinko ball.