

The JFTC Issued Cease and Desist Orders and Surcharge Payment Orders to the Participants in Bidding for Snow-Melting Equipment Works for Hokuriku Shinkansen Ordered by the Japan Railway Construction, Transportation and Technology Agency

October 9, 2015

Japan Fair Trade Commission

The Japan Fair Trade Commission (JFTC) today issued the cease and desist orders and the surcharge payment orders to the 11 companies that had participated in bidding for snow-melting equipment works ordered by the Japan Railway Construction, Transportation and Technology Agency, finding that, on September 14 2011, the 11 companies substantially restrained competition in the field of snow-melting equipment works for Hokuriku Shinkansen (Japanese bullet train) by designating successful bidders and managing to have the designated successful bidders with the bidding. In this case, the 11 companies were in violation of Article 3 (prohibition of unreasonable restraint of trade) of the Antimonopoly Act (AMA). The total amount of the surcharge to be paid is approximately 1.03 billion yen.

This is the first case in which a hearing procedure (came into force in April 2015) introduced by the AMA amendment 2013 was held.

In this hearing procedure, the JFTC notified the 11 companies of the contents of the proposed orders in writing and provided them with opportunities to view and copy the evidence which became a basis for the orders and to submit their opinions and evidence to the JFTC. The orders have been issued after the JFTC took into consideration the opinions and the evidence submitted. A recipient dissatisfied with the orders may appeal, within 6 months from such knowledge or within a year from the date of the orders, to the Tokyo District Court.

* Every announcement is tentative translation. Please refer to the original text written in Japanese for more details.