

The JFTC Issued a Caution to the JA Akan Agricultural Cooperative

October 6, 2017

Japan Fair Trade Commission

The Japan Fair Trade Commission (JFTC) today issued a caution to the JA Akan Agricultural Cooperative (JA Akan). In this case, JA Akan was likely to be in violation of prohibition of the Article 19(falling under the Item 5, Paragraph 9, Article 2 [Abuse of Superior Bargaining Position] of the Antimonopoly Act (AMA).

The JA Akan was likely to be in bargaining position supplier to the members of the Cooperative because they depended on its business, including not only joint sales business but also joint purchase business and credit business etc., and there is no alternative agricultural cooperative for the members in this area.

The JA Akan reduced the commission fee based on members' shipment to the JA Akan and, at the same time, introduced the new levy based on whole shipment and sales amount of each member. It brought the same burden as before for the members who ship agricultural and livestock products to the JA Akan. Meanwhile, it brought the extra payment according to shipment volume for the members who ship them to others than JA Akan.

Such conducts of the JA Akan unreasonably brought the disadvantage on the members who shipped to the others and was likely to adversely affect the fair and free competition.

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