

The JFTC Issued a Cease and Desist Order to the JA Oita Agricultural Cooperative

February 23, 2018
Japan Fair Trade Commission

The Japan Fair Trade Commission (JFTC) today issued a cease and desist order to the JA Oita Agricultural Cooperative (JA Oita). In this case, the JA Oita is violating the Article 19 (Item 4[Discriminatory Treatment on Trade Terms]) of the Antimonopoly Act (AMA).

The JA Oita has been entrusted with sales of small green onions from its member and shipped them with the specific brand name (hereinafter “JA Oita’s brand name”).

The group of farmers for small green onions in the JA Oita expelled its five members because they continued to ship small green onions produced by themselves to other distributors than the JA Oita without a consent from the group. In response to the expulsion, the JA Oita determined to stop selling the five members’ small green onions with the JA Oita’s brand name.

Furthermore, the JA Oita has made the five members not to use the facilities to arrange and package small green onions for the shipment.

As a result, the five members cancelled the consignment sale of small green onions to the JA Oita, because the price of small green onions under non-brand was lower than that with the JA Oita’s brand name and it made no profit in the business.

* Every announcement is tentative translation.

Please refer to the original text written in Japanese for more details.