

The JFTC Issued Cease and Desist Order to Association of Kanagawa LP Gas

March 9, 2018
Japan Fair Trade Commission

The Japan Fair Trade Commission (JFTC) today issued the cease and desist order to Association of Kanagawa LP Gas. In this case, the association is violating the Article 8(iii) (limiting the present or future number of enterprise in any particular field of business) of the Antimonopoly Act(AMA).

The company starting LP Gas business is required to register with the authority, and it is required for the registration to take out the LP Gas liability insurance.

It is highly necessary for the company starting LP Gas business only in Kanagawa Prefecture to join Association of Kanagawa LP Gas in order to take out the group insurance (the LP Gas liability insurance that Japan L.P. Gas Sales Association signs with casualty insurance company).

Association of Kanagawa LP Gas rejected applications for the membership from the companies which conduct business activities such as solicitation aiming for persuading consumer to switch from other company to them and made them unable to take out the above group insurance. This rejection consequently restrains the present or future number of enterprise in LP Gas sales business in Kanagawa Prefecture.

The JFTC requested Ministry for Economy, Trade and Industry to create an environment where it is easy for the company starting LP Gas sales business to take out the LP Gas liability insurance.

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