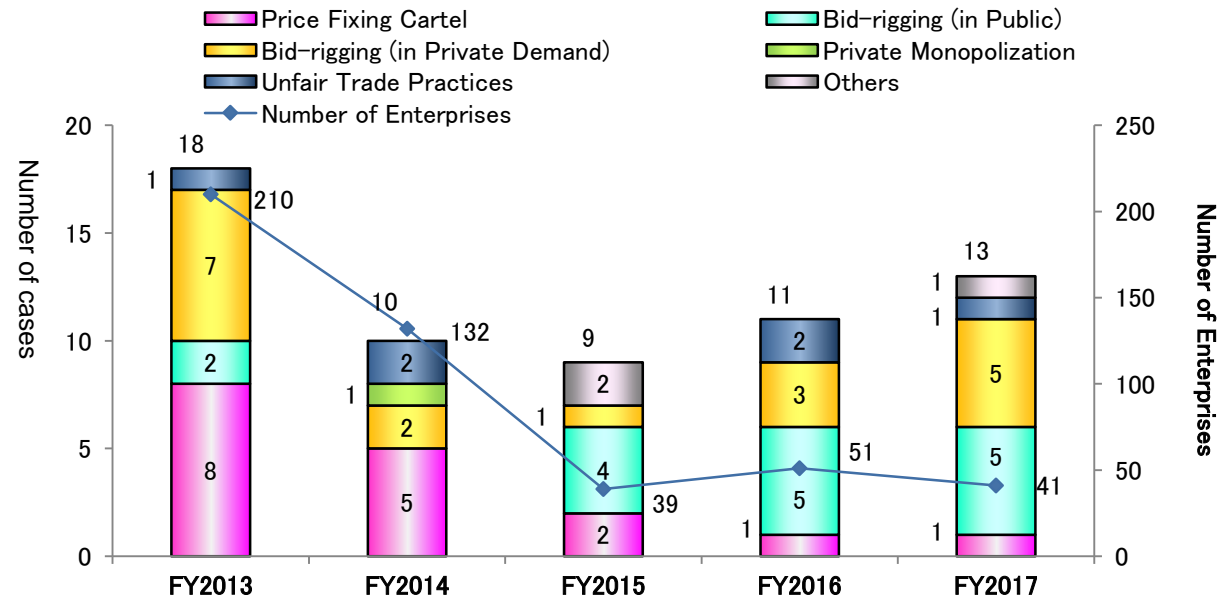


# Enforcement of the Antimonopoly Act in FY2017 (Summary)

May 23, 2018  
Japan Fair Trade Commission

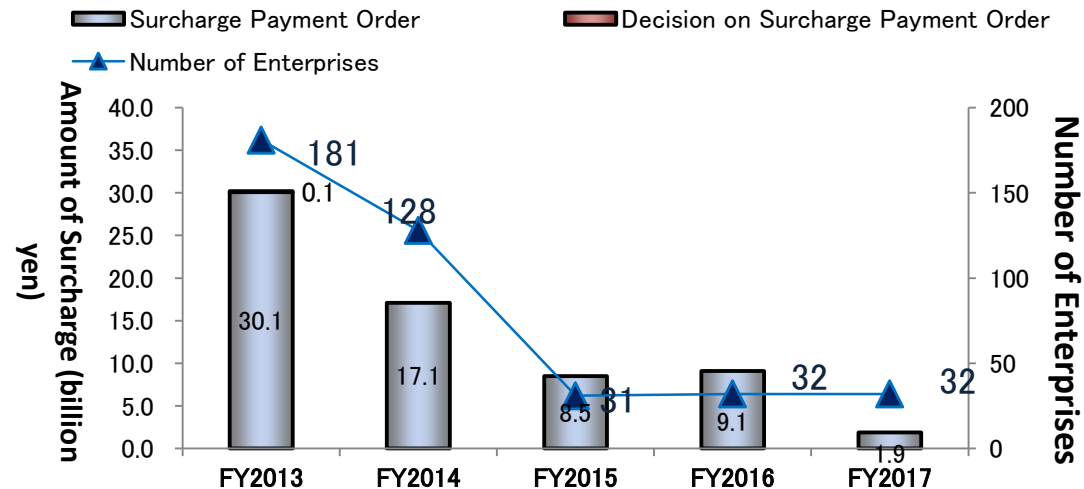
## ◆ JFTC issued 13 cease and desist orders



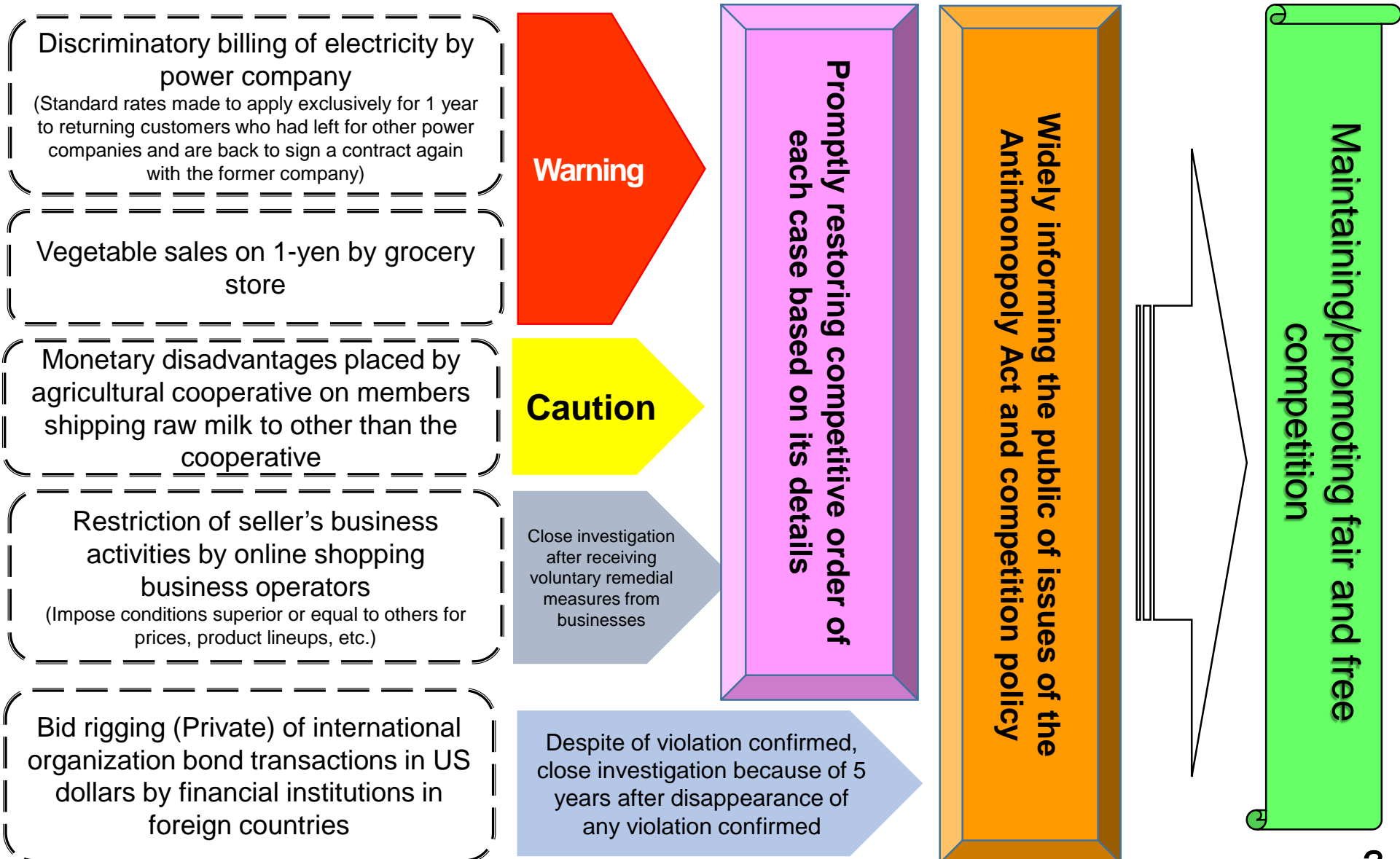
In addition to cease and desist orders, the following cases have been processed:

- 1 criminal charge filed,
- 1 violation confirmed (statute of limitations expired),
- 3 warnings,
- 1 caution/publication,
- and 2 publications of voluntary remedial measures taken by businesses

## ◆ Total Surcharges Amount: Approx. 1.9 billion Yen.



Conduct types	Cease and Desist Orders
Price-fixing	the Manufactures of Suspension for Hard Disk Drives (February 2018)
Bid-rigging (Public)	<ul style="list-style-type: none"> <li>- the Participants in Bidding for Personal Protective Equipment Ordered by Tokyo Metropolitan Government (December 2017 2 orders)</li> <li>- the Constructors for Paving Works Ordered by Tokyo Metropolitan Government, Tokyo Port Terminal Corporation and Narita International Airport Corporation (March 2018 3 orders)</li> </ul>
Bid-rigging (Private)	<ul style="list-style-type: none"> <li>- the Distributors of Uniform Ordered by East Japan Railway Company and West Japan Railway Company (January 2018 4 orders)</li> <li>- the Participants in Bidding for Uniform (Working Wear) Ordered by Nippon Telegraph and Telephone East Corporation (February 2018)</li> </ul>
Unfair Trading	the JA Oita Agricultural Cooperative (February 2018)
Trade Association	Association of Kanagawa LP Gas (March 2018)



◆ Goods and Services on Cases Investigated by JFTC FY2017



◆ JFTC strictly investigates on abuse of superior bargaining position cases, and from the viewpoint of prevention thereof, conducts investigations in an efficient and effective manner.

➤ Investigations by the “Task Force for Abuse of Superior Bargaining Position”

⇒ JFTC issued cautions to such enterprises as wedding/funeral coordinators, retailers, wholesalers, etc. whose practices may lead to infringements.

FY	2013	2014	2015	2016	2017
Cautions	58	47	50	46	48

- ◆ Speedy Enforcement for Prevention
  - Regarding alleged cases in retail sectors such as liquors, petroleum products and home appliances, etc., JFTC sets a goal to complete its investigations within two months in principle.
  - Cautions are given to the cases which may lead to unjust low price sales.

FY	2013	2014	2015	2016	2017
Liquor	847	635	490	420	96
Petroleum product	452	326	341	732	352
Home Appliance	29	3	3	1	4
Others	38	18	7	2	5
Total	1,366	982	841	1,155	457

## Efforts for suspicious antimonopoly violations in IT/digital-related areas

Setting IT Task Force

Setting Contact Hotline of IT/Digital Sector (Oct. 21, 2016)

- **Amazon Japan G.K. was suspected of restricting business activities of sellers in Amazon Marketplace by stipulating the price parity clause, etc.(Note 1) as well as the selection parity clause (Note 2) in the seller contracts with them.**

(Note 1) The clause requires the sellers to market their products at sales prices or in conditions more favorable than or equivalent to other identical products via other sales channel for the purchasers.

(Note 2) The condition requires the participants to market all the same variations including colors, sizes, etc., of products on the Amazon Marketplace as those they market on their other marketing routes.

⇒ **Amazon Japan G.K. voluntarily proposed to take measures including deletion of the clauses (JFTC's press release on Jun. 1, 2017).**

- **Amazon Services International Inc. had set the conditions under contracts with publishers etc. of e-books to be distributed on the Amazon.co.jp website requiring their retail prices for general consumers to be the same as those for e-books to be distributed on other platforms.**

⇒ **Amazon Services International Inc. voluntarily reported to the JFTC to delete the condition above (August 15, 2017).**

## Efforts for suspected Antimonopoly Act violations in agricultural sector

Establishing  
Guidelines on  
Agricultural  
Cooperatives

Setting  
Agriculture Case  
Task Force

Setting Contact  
Hotline of  
Agriculture Case  
(Apr. 15, 2016)

- **The JA Oita Agricultural Cooperative (JA Oita) stopped its members who shipped small green onions to other than JA Oita from selling them with the JA Oita's brand name and made the members not to use the facilities to arrange and package small green onions for the shipment.**  
⇒ **Cease and Desist Order (February 23, 2018)**
- **The Akan Agricultural Cooperative was levying a member, who had started shipments to other than the cooperative, at a monetary disadvantage in dealing with raw milk, which might have brought to violation of Antimonopoly Act.**  
⇒ **Caution issued (October 06, 2017)**

## Efforts for suspected Antimonopoly Act violations in electrical power sector

Establishing  
Guidelines on  
Electrical Power

Setting Public  
Utilities Case  
Task Force

Setting Contact  
Hotline of  
Electrical Power  
Case

(Mar. 7, 2016)

- While offering the lowest possible rates to new customers based on their electric power usage patterns, Hokkaido Electrical Power Co., Inc. applied standard rates for 1 year exclusively to their returning customers (those who had had a contract with the company, left for other power companies, and are seeking to sign a contract with the former again), which might have violated the Antimonopoly Act.

⇒ Warning issued (June 30, 2017)