

The JFTC Issued a Cease and Desist Order against Mainami Aviation Services Co., Ltd

July 7, 2020

Japan Fair Trade Commission

Today, the Japan Fair Trade Commission (JFTC) issued a cease and desist order against Mainami Aviation Services Co., Ltd (Hereinafter “Mainami Aviation Services”).

In this case, Mainami Aviation Services has been committing a violation of the Article 3 of the Antimonopoly Act (Private Monopolization) as follows:

Regarding the sale of the aviation fuel by “into-plane fueling” (hereinafter “this service”) at Yao Airport, Mainami Aviation Services has been having its users not be refueled from SGC Saga Aviation Co., Ltd (hereinafter “SGC Saga Aviation”) as follows:

- A. Mainami Aviation Services, alleging that Mainami Aviation Services would not bear responsibility for aircraft-related accidents caused by mixing the aviation fuel of Mainami Aviation Services with that of SGC Saga Aviation ^(Note 1), has notified its users that it would not continue to fuel their aircrafts if the users are refueled from SGC Saga Aviation.
- B. Mainami Aviation Services, as a condition to accept requests related to fueling from its users who are fueled by the service of SGC Saga Aviation, has requested its users to sign a document describing that they shall not seek Mainami Aviation Services’ liability for aircraft-related accidents caused by mixing the aviation fuel of Mainami Aviation Services with that of SGC Saga Aviation, or to remove the fuel from the users’ aircrafts.

The Mainami Aviation Services’ conduct above has been excluding business activities of SGC Saga Aviation, and thereby causing, contrary to the public interest, a substantial restraint of competition in the field of trade of sale of the aviation fuel by this service at Yao Airport.

^(Note 1) As to the aircraft fuels, although the international standard specifications exist, the Civil Aeronautics Act (Act No.231 of July 15, 1952) and other related ordinances, etc. do not prohibit nor restrict the mixture of the same type and grade of aviation fuel. Although the same type and grade of aviation fuel provided by different fueling companies are normally mixed in fuel tanks of aircrafts, no aircraft accidents caused by the mixture have been reported in the aircraft accident investigation reports (from 1974 to January 31, 2020) published by the Japan Transport Safety Board.