

The JFTC Issued a Cease and Desist Order against the Saga Prefecture Fishery Cooperative Federation

May 15, 2024

Japan Fair Trade Commission

The Japan Fair Trade Commission (JFTC) issued a cease and desist order against the Saga Prefecture Fishery Cooperative Federation (Cooperative) pursuant to the provisions of the Antimonopoly Act (Act). In this case, the Cooperative violated the provisions of Article 19 of the Act (Trading on Exclusive Terms, Paragraph 12 (Trading on Restrictive Term)) by restricting the sale of dried seaweed.

Within its jurisdiction, the Cooperative is the only one who has the demarcated fishery right for farmed seaweed. Therefore, producers of dried seaweed are not able to farm seaweed without the approval of the Cooperative. Moreover, joint sales, which is operated by the Cooperative, is the vital sales channel for dried seaweed producers. On the other hand, some dried seaweed producers want to sell their dried seaweed via different ways in addition to the conventional joint sales.

The JFTC found that the Cooperative restricts the sale of dried seaweed which is not via cooperative sales, in following ways.

- (1) The Cooperative requests the producers of dried seaweed to agree in written pledge to the conditions under which they would ship all the dried seaweed to the Cooperative when they use joint sales. As a result, the Cooperative makes the producers to ship all the amount of their dried seaweed to the joint sales.
- (2) The Cooperative had allowed the designated trading companies to purchase dried seaweed in the joint sales under the condition not to purchase any dried seaweed directly from the producers.

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