

The JFTC Issued Cease and Desist Orders and Surcharge Payment Orders against Participants in Biddings for School Lunch Service for Junior High Schools Ordered by Nagoya City

May 22, 2024

Japan Fair Trade Commission

The Japan Fair Trade Commission (hereinafter referred to as the “JFTC”) today issued cease and desist orders and surcharge payment orders against participants in biddings for school lunch service for junior high schools ordered by Nagoya city pursuant to the provisions of the Antimonopoly Act (hereinafter referred to as the “Act”).

The JFTC found (i) that the 8 participants had conspired and agreed to decide prospective winners and to bid at prices allowing those winners to win the biddings; (ii) that based on the agreements, they coordinated and agreed on a winner of participants for each district for ordering school lunch service for junior high schools in advance and allowed the winner to be successful in the bidding; (iii) that above-mentioned conduct had been conducted since February 2017 at the latest. By engaging in this conduct, the 8 participants substantially restrained competition in the field of school lunch service for junior high schools ordered by Nagoya city, contrary to the public interest.

The conducts fall under unreasonable restraint of trade prescribed in Article 2, paragraph (6) of the Act and the participants violated Article 3 of the Act. The total amount of surcharge is 392.96 million yen.

Furthermore, the JFTC requested Japan Contract Food Service Association, of which 6 out of the 8 participants mentioned above are the members, to make sure that all the member companies would comply the Act and would not perform similar conducts in this case.

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