

The JFTC Issued a Cease and Desist Order to Seki Furniture Co., Ltd.

December 19, 2024
Japan Fair Trade Commission

The Japan Fair Trade Commission today issued a cease and desist order against Seki Furniture Co., Ltd. (hereinafter referred to as “Seki Furniture”) pursuant to the provisions of the Antimonopoly Act (hereinafter referred to as the “Act”).

In this case, Seki Furniture violated the provision of the Article 19 (falling under Article 2, paragraph (9), item (iv) [Resale Price Maintenance]) of the Act.

Outline of Violations

Seki Furniture engaged in the following actions to compel its retailers to sell chairs marked with the Ergohuman trademark (hereinafter referred to as “Ergohuman”) at a retail price specified by Seki Furniture referred to as the reference price (hereinafter referred to as the “reference price”), no later than February 2020.

- (1) Based on its policy of selling Ergohuman only to retailers who agreed to sell them at the reference price, Seki Furniture required new retailers to commit to this condition when initiating transactions involving Ergohuman. Furthermore, whenever the reference price for Ergohuman was increased, Seki Furniture ensured that retailers selling Ergohuman agreed to sell the products at the updated reference price.
- (2) By monitoring the online sales prices of Ergohuman offered by its retailers and receiving complaints from these retailers about other retailers selling Ergohuman below the reference price (hereinafter referred to as “discounted sales”), Seki Furniture identified retailers engaging in discounted sales. In such cases, Seki Furniture requested the identified retailers to comply with the reference price when selling Ergohuman.
- (3) Seki Furniture implemented measures such as raising the shipment price of Ergohuman for retailers who continued to engage in discounted sales despite the aforementioned requests.

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