

DESIGNATION OF SPECIFIC UNFAIR TRADE PRACTICES IN THE MARITIME BUSINESS

November 11, 1959
Fair Trade Commission Notification No. 17

In accordance with the provisions of Section 2(9) of the Act Concerning Prohibition of Private Monopolization and Maintenance of Fair Trade (Law No. 54 of 1947), the specific unfair trade practices in maritime business shall be designated as follows, and the Fair Trade Commission Notification No. 14 of 1953 (Specific Unfair Trade Practices in Maritime Business) shall be abrogated:

Specific Unfair Trade Practices in the Maritime Business

Acts committed by a single shipping business entity (that is a person who operates the business of marine vessel operation defined by Section 2(2) of the Maritime Transport Act (Law No. 187 of 1949), and hereinafter the same) or by shipping business entities in a business combination, by arrangement and or in agreement (hereinafter referred to as "Combination, etc.") such as:

1. Unjustly affords discriminatory treatment in regard to freight, charges, and other terms and conditions for forwarding depending on the amount of cargo, place of embarkation or destination to specific shippers or specific areas;
2. Unjustly imposes excessive disadvantage to the business activities of a shipping business entity, if he or she applies for membership in Combination, etc., by setting unjustly discriminatory conditions for accession compared to other members or refusing the accession without any legitimate and reasonable reason such as overtonnage;
3. Affords unreasonably favorable treatment in regard to freight, charges, and other terms and conditions for forwarding to the shippers having entered the agreement (hereinafter referred to as "Exclusive Shipment Contract"), which allows member shipping business entities of Combination, etc. to exclusively forward the cargo at a certain rate, unjustly restricting termination of the Exclusive Shipment Contract by shippers, or demands that shippers pay unreasonably high penal charges or damages when the shippers commit an offense against the Exclusive Shipment Contract, and
4. Demands that a shipper pay unreasonable penal charges or damages or affording unfavorable treatment to the shipper in regard to freight, miscellaneous charges, and other terms and conditions for forwarding, in case the shipper allows any non-member

shipping business entity of Combination, etc. to forward cargo on the justifiable grounds that the shipper could not receive provision of freight space from member shipping business entities of Combination, etc. within a reasonable period.