

GUIDELINES FOR INTERPRETATION OF THE  
DESIGNATION OF UNFAIR TRADE PRACTICES ON  
OFFERING ECONOMIC BENEFIT  
BY OPEN LOTTERIES AND PRIZE COMPETITION

July 2, 1971  
Secretary General Notice No. 5

(Amendment : Secretary General Notice No.1 of February 16, 1996)

Upon the issuance of the "Designation of Unfair Trade Practice on Offering Economic Benefit by Open Lotteries and Prize Competition" (FTC Notification No. 34 of July 2, 1971) according to the provision of Section 2(9) of the Antimonopoly Act and its enforcement from September 1, 1971, the Fair Trade Commission has set the following Guidelines for the Interpretation of the Designation of Unfair Trade Practice on Offering Economic Benefit by Open Lotteries and Prize Competition

- I. Economic benefits in excess of 10,000,000 JPY shall be deemed to be "money, articles, or other kinds of economic benefits deemed to be excessive in light of normal business practices" as stipulated in the Notification. However, within this limit, reference should also be made to the relevant Fair Competition Code in industries for which such a Code exists.
  
- II. The act of selecting a specific party via a method that conforms to all of the conditions given below and then stating an intention to provide economic benefits to said party shall not be deemed to fall under the provisions of Part (i) (b) of the Notification, because it is not considered a method used to induce customers. The aforementioned conditions are as follows:
  - A. The method involves soliciting mentally demanding works that could not be readily accomplished by ordinary consumers, such as theses, novels, or designs requiring advanced knowledge, skills, or the like, and selecting specific parties on the basis of superiority;

- B. The economic benefits are within appropriate bounds in terms of the socially accepted idea of the value of or prize for the mentally demanding work; and
- C. The superiority of the mentally demanding work is determined by a socially respected institution, academics, critics, artists or similar.