

DESIGNATION OF UNFAIR TRADE PRACTICES

June 18, 1982

Fair Trade Commission Notification No. 15 of 1982

In accordance with the provisions of Section 2 (9) of Act Concerning Prohibition of Private Monopoly and Maintenance of Fair Trade (Law No. 54 of 1947), Unfair Trade Practices (Fair Trade Commission Notification No. 11 of 1953) shall be totally amended as follows and put into force on September 1, 1982.

Unfair Trade Practices

(Concerted Refusal to Deal)

1. Without proper justification, taking an act specified in one of the following paragraphs concertedly with another entrepreneur who is in a competitive relationship with oneself (hereinafter, referred to as a "competitor"):
 - (1) Refusing to deal with a certain entrepreneur or restricting the quantity or substance of a commodity or service involved in the transaction with a certain entrepreneur; or
 - (2) Causing another entrepreneur to take an act which comes under the preceding paragraph.

(Other Refusal to Deal)

2. Unjustly refusing to deal, or restricting the quantity or substance of a commodity or service involved in the transaction with a certain entrepreneur, or causing another entrepreneur to take any act which comes under one of these categories.

(Discriminatory Pricing)

3. Unjustly supplying or accepting a commodity or service at prices which discriminate between regions or between the other parties.

(Discriminatory Treatment on Transaction Terms, etc.)

4. Unjustly affording favorable or unfavorable treatment to a certain entrepreneur in regard to the terms or execution of a transaction.

(Discriminatory Treatment in a Trade association, etc.)

5. Unjustly excluding a specific entrepreneur from a trade association or from a concerted activity, or unjustly discriminating against a specific entrepreneur in a trade association or a concerted activity, thereby causing difficulties in the business activities of the said entrepreneur.

(Unjust Low Price Sales)

6. Without proper justification, supplying a commodity or service continuously at a price which is excessively below cost incurred in the said supply, or otherwise unjustly supplying a commodity or service at a low price, thereby tending to cause difficulties to the business activities of other entrepreneurs.

(Unjust High Price Purchasing)

7. Unjustly purchasing a commodity or service at a high price, thereby tending to cause difficulties to the business activities of other entrepreneurs.

(Deceptive Customer Inducement)

8. Unjustly inducing customers of a competitor to deal with oneself by causing them to misunderstand that the substance of a commodity or service supplied by oneself, or terms of the transaction, or other matters relating to such transaction are much better or much favorable than the actual one or than those relating to the competitor.

(Customer Inducement by Unjust Benefits)

9. Inducing customers of a competitor to deal with oneself by offering unjust benefits in the light of normal business practices.

(Tie-in Sales, etc.)

10. Unjustly causing the other party to purchase a commodity or service from oneself or from an entrepreneur designated by oneself by tying it to the supply of another

commodity or service, or otherwise coercing the said party to deal with oneself or with an entrepreneur designated by oneself.

(Dealing on Exclusive Terms)

11. Unjustly dealing with the other party on condition that the said party shall not deal with a competitor, thereby tending to reduce transaction opportunities for the said competitor.

(Resale Price Restriction)

12. Supplying a commodity to the other party who purchases the said commodity from oneself while imposing, without proper justification, one of the restrictive terms specified below:

- (1) Causing the said party to maintain the selling price of the commodity that one has determined, or otherwise restricting the said party's free decision on selling price of the commodity; or
- (2) Having the said party cause an entrepreneur who purchases the commodity from the said party to maintain the selling price of the commodity that one has determined, or otherwise causing the said party to restrict the said entrepreneurs' free decision on selling price of the commodity.

(Dealing on Restrictive Terms)

13. Other than any act coming under the preceding two paragraphs, dealing with the other party on conditions which unjustly restrict any transaction between the said party and his other transacting party or other business activities of the said party.

(Abuse of Dominant Bargaining Position)

14. Taking any act specified in one of the following paragraphs, unjustly in the light of the normal business practices by making use of one's dominant bargaining position over the other party:

- (1) Causing the said party in continuous transaction to purchase a commodity or service other than the one involved in the said transaction;
- (2) Causing the said party in continuous transaction to provide for oneself money, service or other economic benefits;
- (3) Setting or changing transaction terms in a way disadvantageous to the said party;
- (4) In addition to any act coming under the preceding three paragraphs, imposing a disadvantage on the said party regarding terms or execution of transaction; or

- (5) Causing a company which is one's other transacting party to follow one's direction in advance, or to get one's approval, regarding the appointment of officers of the said company (meaning those as defined by Subsection 3 of Section 2 of the Act Concerning Prohibition of Private Monopoly and Maintenance of Fair Trade).

(Interference with a Competitor's Transaction)

15. Unjustly interfering with a transaction between another entrepreneur who is in a domestic competitive relationship with oneself or with the company of which one is a stockholder or an officer and its other party to such transaction, by preventing the formation of a contract, or by inducing the breach of a contract, or by any other means whatsoever.

(Interference with Internal Operation of a competing company)

16. Unjustly inducing, abetting, or coercing a stockholder or an officer of a company which is in a domestic competitive relationship with oneself or with a company of which one is a stockholder or an officer, to take an act disadvantageous to such company by the exercise of voting rights, transfer of stock, divulgence of secrets, or any other means whatsoever.