



Department of Justice

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UNITED STATES AND JAPAN SIGN ANTITRUST COOPERATION AGREEMENT

WASHINGTON, D.C. -- Attorney General Janet Reno today signed an antitrust cooperation agreement between the United States and Japan that will allow the two countries to strengthen their enforcement cooperation in the antitrust area.

The agreement was also signed by Federal Trade Commission Chairman Robert Pitofsky and Hideaki Kobayashi, the Charge d'Affaires ad interim of Japan. Joel I. Klein, Assistant Attorney General in charge of the Department's Antitrust Division and Yasuchika Negoro, Chairman of the Japan Fair Trade Commission (JFTC), also participated in the ceremony.

The agreement builds on the long-standing and close relationship between the Department and the JFTC, dating from the enactment of Japan's Antimonopoly Law in 1947. The Department and the Federal Trade Commission have held annual antitrust consultations with the JFTC since 1976, the longest-running of the United States' bilateral consultations with foreign antitrust authorities.

"This agreement, between the world's two largest national economies, marks an important milestone in the development of the already close relationship that exists between our two antitrust enforcement agencies," said Reno.

The new agreement, which is similar to existing U.S. agreements with the European Union and Canada, contains provisions for notification of enforcement activities, enforcement

cooperation and coordination, conflict avoidance and consultations, positive comity, and confidentiality and use limitations. These provisions will enable us to work together closely on antitrust issues and to improve antitrust enforcement in both countries.

Highlights of the new agreement include:

- *Agreement on the Importance of Cooperation:* The parties acknowledge the importance of antitrust cooperation in enhancing enforcement of each party's competition laws, and that the sound and effective enforcement of competition law is important both for the efficient functioning of each market and trade between the U.S. and Japan.
- *Notification of Enforcement Activities:* Each antitrust agency will notify the other of antitrust enforcement activities that may affect the other's important interests.
- *Enforcement Cooperation and Coordination:* The antitrust agencies agree to provide assistance to the other in its antitrust enforcement activities and to consider coordination of investigations involving both the U.S. and Japanese markets. In any coordinated arrangement, they will seek to conduct their activities consistently with the other party's enforcement interests.
- *Positive Comity:* The antitrust agencies also agree to a "positive comity" provision whereby each antitrust agency would give careful consideration to a request by the other to take antitrust enforcement action against illegal behavior occurring within its jurisdiction that injures the other party's interests.
- *Conflict Avoidance:* The parties agree to consider carefully one another's interests in carrying out enforcement activities, and the agreement includes a non-exhaustive list of factors to be considered in this regard.
- *Consultations and Exchange of Information:* The antitrust agencies, and the parties, agree to consult with each other on matters which arise under the agreement. The parties agree to exchange antitrust-related information, within applicable confidentiality constraints.
- *Existing Laws:* The parties recognize that the agreement will be implemented in accordance with existing laws in each country.

"The signing of an antitrust cooperation agreement with one of our key trading partners is a significant step that will benefit antitrust enforcement in both countries," said Klein. "I fully expect that this agreement will promote a new level of cooperation between the U.S. and Japan in

investigating practices that harm competition in our markets.”

The agreement does not change existing law in either country, and is not a comprehensive antitrust mutual legal assistance agreement of the sort authorized by the International Antitrust Enforcement Assistance Act of 1994.

Currently, the Department’s Antitrust Division has similar cooperation agreements with Australia, Canada, the European Union, Germany and Israel.

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