



# Department of Justice

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## **JAPANESE AUTOMOBILE PARTS MANUFACTURER AGREES TO PLEAD GUILTY TO PRICE FIXING ON PARTS INSTALLED IN US CARS**

### *Company Agrees to Pay \$1 Million Criminal Fine*

WASHINGTON – Nagoka, Japan-based Nippon Seiki Co. Ltd. has agreed to plead guilty and to pay a \$1 million criminal fine for its role in a conspiracy to fix prices of instrument panel clusters, commonly known as meters, installed in cars sold in the United States and elsewhere, the Department of Justice announced today.

According to a one-count felony charge filed today in the U.S. District Court for the Eastern District of Michigan in Detroit, Nippon Seiki engaged in conspiracies to rig bids for, and to fix, stabilize and maintain the prices of instrument panel clusters sold to an automaker in the United States and elsewhere. According to the court document, Nippon Seiki's involvement in the conspiracy lasted from at least as early as April 2008 until at least February 2010.

Nippon Seiki manufactures and sells a variety of automotive parts, including instrument panel clusters. Instrument panel clusters are the mounted array of instruments and gauges housed in front of the driver of an automobile. The department said that Nippon Seiki and its co-conspirators carried out the conspiracy by agreeing, during meetings and conversations, to rig bids for, and to fix, stabilize and maintain the prices of instrument panel clusters, sold to an automaker in the United States and elsewhere, on a model-by-model basis.

As part of the plea agreement, which will be subject to court approval, Nippon Seiki has agreed to cooperate with the department's investigation.

"For nearly two years, Nippon Seiki conspired to sell instrument control panels at collusive and noncompetitive prices, affecting the prices of many automobiles sold in the United States," said Scott D. Hammond, Deputy Assistant Attorney General of the Antitrust Division's criminal enforcement program. "The division will continue to hold companies accountable for these types of anticompetitive practices that harm American consumers."

Including Nippon Seiki, eight companies and 11 executives have been charged in the department's ongoing investigation into price fixing and bid rigging in the auto parts industry. Furukawa Electric Co. Ltd., DENSO Corp., Yazaki Corp., G.S. Electech Inc., Fujikura Ltd. and Autoliv Inc. pleaded guilty and were sentenced to pay a total of more than \$785 million in criminal fines. In July 2012, TRW Deutschland Holding GmbH agreed to plead guilty and is

awaiting sentencing. Additionally, seven of the individuals – Junichi Funo, Hirotsugu Nagata, Tetsuya Ukai, Tsuneaki Hanamura, Ryoki Kawai, Shigeru Ogawa and Hisamitsu Takada – have been sentenced to pay criminal fines and to serve jail sentences ranging from a year and a day to two years each. Makoto Hattori and Norihiro Imai have pleaded guilty and await sentencing. Kazuhiko Kashimoto and Toshio Sudo have also agreed to plead guilty.

Nippon Seiki is charged with price fixing in violation of the Sherman Act, which carries a maximum penalty of a \$100 million criminal fine for corporations. The maximum fine for the company may be increased to twice the gain derived from the crime or twice the loss suffered by the victims of the crime, if either of those amounts is greater than the statutory maximum fine.

Today's prosecution arose from an ongoing federal antitrust investigation into price fixing, bid rigging and other anticompetitive conduct in the automotive parts industry, which is being conducted by the Antitrust Division's National Criminal Enforcement Section and the FBI's Detroit Field Office with the assistance of the FBI headquarters' International Corruption Unit. Anyone with information concerning this investigation is urged to call the Antitrust Division's National Criminal Enforcement Section at 202-307-6694, visit [www.justice.gov/atr/contact/newcase.htm](http://www.justice.gov/atr/contact/newcase.htm), or call the FBI's Detroit Field Office at 313-965-2323.

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