

Department of Justice

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TAIWAN AUTO LIGHTS MANUFACTURER EXECUTIVE PLEADS GUILTY IN PRICE-FIXING CONSPIRACY

WASHINGTON – The vice chairman and second-highest ranking officer of a Taiwan aftermarket auto lights manufacturer pleaded guilty today for his participation in an international conspiracy to fix the prices of aftermarket auto lights, the Department of Justice announced. Aftermarket auto lights are incorporated into an automobile after its original sale, often as repairs following a collision or as accessories and upgrades.

Homy Hong-Ming Hsu was arrested on July 12, 2011, at Los Angeles International Airport and indicted for his participation in the conspiracy. According to a one-count felony superseding indictment filed the in U.S. District Court in San Francisco on Nov. 30, 2011, Hsu conspired with others to suppress and eliminate competition by fixing the prices of aftermarket auto lights. The department said that Hsu, vice chairman of Eagle Eyes Traffic Industrial Co. Ltd., participated in the conspiracy from as early as November 2001 until about September 2008. Eagle Eyes, its U.S. subsidiary E-Lite Automotive Inc., and Eagle Eyes' highest-ranking officer, Chairman Yu-Chu Lin, aka David Lin, were also indicted for their participation in the conspiracy. Trial for Eagle Eyes and E-Lite is scheduled to begin on Oct. 29, 2012.

According to the indictment, Hsu and co-conspirators participated in a conspiracy in which the participants met and agreed to charge prices of aftermarket auto lights according to jointly determined formulas. The participants in the conspiracy issued price announcements to customers in accordance with the jointly determined price structure, and collected and exchanged information on prices for the purpose of monitoring and enforcing adherence to the conspiracy. The department said that the conspirators held meetings in Taiwan and the United States.

"The Antitrust Division will continue to crack international price fixing cartels that harm American businesses and consumers," said Joseph Wayland, Acting Assistant Attorney General in charge of the Department of Justice's Antitrust Division. "Four corporations and five executives have been charged as a result of the Antitrust Division's investigation into price fixing in the aftermarket auto lights industry."

Of the five individuals, three have already pleaded guilty. Shiu-Min Hsu, the former chairman of Depo Auto Parts Industrial Co. Ltd, a Taiwan manufacturer of aftermarket auto lights, pleaded guilty on March 20, 2012, and is scheduled to be sentenced on Jan. 8, 2013. Polo Shu-Sheng Hsu, the highest-ranking officer of Maxzone Vehicle Lighting Corp., a U.S. distributor of aftermarket auto lights, pleaded guilty on March 29, 2011, served his sentence of

180 days in prison and paid a \$25,000 criminal fine. Chien Chung Chen, aka Andrew Chen, the former executive vice president of Sabry Lee (U.S.A.) Inc., a second U.S. distributor of aftermarket auto lights, pleaded guilty on June 7, 2011. He is scheduled to be sentenced on Jan. 15, 2013.

In addition, of the four corporations, two have pleaded guilty. On Oct. 4, 2011, Sabry Lee pleaded guilty and was sentenced to pay a \$200,000 criminal fine. On Nov. 15, 2011, Maxzone pleaded guilty and was sentenced to pay a \$43 million criminal fine.

Hsu is charged with violating the Sherman Act, which carries a maximum penalty of 10 years in prison and a \$1 million criminal fine for individuals. The maximum fine may be increased to twice the gain derived from the crime or twice the loss suffered by the victims, if either of those amounts is greater than the statutory maximum fine.

This case is part of an ongoing joint investigation being conducted by the Department of Justice Antitrust Division's San Francisco Office and the FBI in San Francisco. Anyone with information concerning illegal or anticompetitive conduct in the aftermarket auto lights industry is urged to call the Antitrust Division's San Francisco Field Office at 415-436-6660 or visit www.justice.gov/atr/contact/newcase.htm.

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