



# Department of Justice

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AT  
(202) 514-2007  
TTY (866) 544-5309

## **TAIWAN AUTO LIGHTS MANUFACTURER AND ITS CALIFORNIA DISTRIBUTOR PLEAD GUILTY IN PRICE-FIXING CONSPIRACY**

### *Companies Sentenced to Pay a Total of \$5 Million in Criminal Fines*

WASHINGTON – A Taiwan aftermarket auto lights manufacturer and its U.S. distributor pleaded guilty to an indictment charging them with participating in a seven-year, international conspiracy to fix the prices of aftermarket auto lights, and were sentenced today in U.S. District Court for the Northern District of California, 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.

Tainan County, Taiwan-based Eagle Eyes Traffic Industrial Co. Ltd., and its U.S. subsidiary, Chino, Calif.-based E-Lite Automotive Inc., were sentenced by U.S. District Judge Richard Seeborg to pay a total of \$5 million in criminal fines.

According to a one-count superseding indictment filed in U.S. District Court for the Northern District of California in San Francisco, on Nov. 30, 2011, Eagle Eyes and E-Lite conspired with others to suppress and eliminate competition by fixing the prices of aftermarket auto lights. Eagle Eyes participated in the conspiracy from about July 2001 until about September 2008, and E-Lite participated from about March 2006 until about September 2008.

“The conspirators engaged in an international price-fixing scheme that undermined competition in the aftermarket auto lights industry,” said Joseph Wayland, Acting Assistant Attorney General in charge of the Department of Justice’s Antitrust Division. “As a result of the division’s vigorous enforcement efforts, four corporations and five executives have been charged.”

According to court documents, the conspiracy was carried out by the two highest-ranking officers of Eagle Eyes—its chairman, Yu-Chu Lin, and vice chairman, Homy Hong-Ming Hsu—who were both charged along with Eagle Eyes and E-Lite in the superseding indictment. The executives met with other co-conspirators and agreed to charge prices of aftermarket auto lights according to jointly-determined formulas. The conspirators 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 conspirators also took steps to conceal their actions throughout the duration of the conspiracy.

In addition to today's pleas, two other corporations have also 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.

Chairman Lin, who resides in Taiwan, remains a fugitive. Vice Chairman Hsu, who was arrested at Los Angeles International Airport over a year ago, pleaded guilty on Sept. 25, 2012. Hsu is scheduled to be sentenced on Jan. 22, 2013.

In addition to Homy Hsu, three individuals have also 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. Chien Chung Chen, aka Andrew Chen, the former executive vice president of Sabry Lee (U.S.A.) Inc., a U.S. distributor of aftermarket auto lights, pleaded guilty on June 7, 2011. He is scheduled to be sentenced on Jan. 15, 2013. Polo Shu-Sheng Hsu, the highest-ranking officer of Maxzone Vehicle Lighting Corp., another 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.

Eagle Eyes and E-Lite are charged with violating the Sherman Act, which carries a maximum penalty of a \$100 million fine. 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 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](http://www.justice.gov/atr/contact/newcase.htm).

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