



Department of Justice

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TWO FUJIKURA LTD. EXECUTIVES INDICTED FOR ROLES IN FIXING PRICES ON AUTOMOBILE PARTS SOLD TO SUBARU TO BE INSTALLED IN U.S. CARS

WASHINGTON — A federal grand jury in Detroit returned an indictment against two Fujikura Ltd. executives for their roles in an international conspiracy to fix prices of auto parts used in automotive wire harnesses sold to Subaru and installed in U.S. cars, the Department of Justice announced today.

The indictment, filed today in U.S. District Court for the Eastern District of Michigan, in Detroit, charges Ryoji Fukudome and Toshihiko Nagashima, both Japanese nationals, with participating in a conspiracy to fix prices of automotive wire harnesses sold to Fuji Heavy Industries—an automaker more commonly known by its brand name, Subaru—for installation in automobiles sold in the United States and elsewhere.

Fukudome was employed by Fujikura as general manager of the Automotive Global Marketing Department from April 2001 to April 2006 and Nagashima was employed by Fujikura as manager of the Fujikura Wire Harness Center in Ohta, Japan, from July 1994 to April 2006, and as general manager of the Automotive Global Marketing Department from April 2006 to April 2009.

Fujikura is a Toyko-based manufacturer of automotive wire harnesses. Automotive wire harnesses are automotive electrical distribution systems used to direct and control electronic components, wiring and circuit boards. Fujikura pleaded guilty to its role in the conspiracy in June 2012, and was sentenced to pay a \$20 million criminal fine.

The indictment alleges, among other things, that from at least as early as September 2005 until at least February 2010, Fukudome, Nagashima and their co-conspirators attended meetings in Japan to reach collusive agreements to rig bids and allocate the supply of automotive wire harnesses sold to Subaru. The indictment alleges that Fukudome, Nagashima and their co-conspirators had further communications to monitor and enforce the collusive agreements.

“International cartels targeting U.S. businesses and consumers pose a serious threat to our competitive market place,” said Scott D. Hammond, Deputy Assistant Attorney General for the Antitrust Division’s criminal enforcement program. “The Antitrust Division is working closely with competition enforcers abroad to ensure that there are no safe harbors for executives who engage in international cartel crimes.”

“Those who engage in price fixing, bid rigging and other fraudulent schemes harm the automotive industry by driving up costs for vehicle makers and buyers,” said John Robert Shoup, Acting Special Agent in Charge, FBI Detroit Division. “The FBI is committed to pursuing and prosecuting these individuals for their crimes.”

Fukudome and Nagashima are charged with price fixing in violation of 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 of the crime, if either of those amounts is greater than the statutory maximum fine.

Including Fukudome and Nagashima, 11 companies and 18 executives have been charged in the Justice Department’s ongoing investigation into the automotive parts industry. To date, more than \$874 million in criminal fines have been imposed and 14 individuals have been sentenced to pay criminal fines and to serve prison sentences ranging from a year and a day to two years each. One other executive has agreed to serve time in prison and is scheduled to be sentenced on Sept. 25, 2013.

The charges are the result of an ongoing federal antitrust investigation into price fixing, bid rigging and other anticompetitive conduct in the automotive parts industry, which is being conducted by each of the Antitrust Division’s criminal enforcement sections and the FBI. Today’s charges were brought 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 on price fixing, bid rigging and other anticompetitive conduct related to other products in the automotive parts industry should contact the Antitrust Division’s Citizen Complaint Center at 1-888-647-3258, visit www.justice.gov/atr/contact/newcase.html or call the FBI’s Detroit Field Office at 313-965-2323.

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