



# Department of Justice

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## **CONTINENTAL AUTOMOTIVE ELECTRONICS AND CONTINENTAL AUTOMOTIVE KOREA AGREE TO PLEAD GUILTY TO BID RIGGING ON INSTRUMENT PANEL CLUSTERS**

WASHINGTON — Continental Automotive Electronics LLC and Continental Automotive Korea Ltd. both have agreed to plead guilty and to pay a single criminal fine of \$4 million for their roles in a conspiracy to rig bids of instrument panel clusters installed in vehicles manufactured and sold in the United States, the Department of Justice announced today.

According to a one-count felony charge filed today in U.S. District Court for the Northern District of Georgia, Newnan Division, Continental Automotive Electronics LLC, based in Cheongwon, South Korea, and Continental Automotive Korea Ltd., based in Seongnam-si, South Korea, conspired to rig bids for instrument panel clusters sold to Hyundai Motor Co., Kia Motors Corp. and Kia Motors Manufacturing Georgia in the United States and elsewhere. In addition to the criminal fine, the companies have agreed to cooperate in the department's ongoing investigation. The plea agreement is subject to court approval.

“As the Antitrust Division’s prosecution of auto parts matters like this one demonstrates, we will prosecute those who participate in international cartels targeting U.S. businesses and consumers,” said Brent Snyder, Deputy Assistant Attorney General for the Antitrust Division’s criminal enforcement program. “The Antitrust Division is working closely with competition enforcers around the world to ensure that companies and executives that engage in international cartel crimes find no refuge.”

The charged companies have acknowledged that they and their co-conspirators held meetings and conversations to discuss and agree upon allocation of sales of instrument panel clusters, and the bids and price quotations each would submit. The charged companies’ involvement in the conspiracy began as early as March 2004 and continued until May 2012.

Instrument panel clusters are a set of instruments located on the dashboard of a vehicle that contain gauges such as a speedometer, tachometer, odometer, and fuel gauge, as well as warning indicators for gearshift position, seat belt, parking-brake engagement, engine malfunction, low fuel, low oil pressure and low tire pressure.

Including Continental Automotive Electronics LLC and Continental Automotive Korea Ltd., 32 companies and 46 executives have been charged in the Justice Department’s ongoing investigation into the automotive parts industry. Each of the charged companies have either

pleaded guilty or have agreed to plead guilty and have agreed to pay more than \$2.4 billion in criminal fines. Of the 46 individuals, 26 have been sentenced to serve time in U.S. prisons.

Continental Automotive Electronics LLC and Continental Automotive Korea Ltd. are charged with bid rigging in violation of the Sherman Act, which carries maximum penalties of a \$100 million criminal fine for corporations. 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.

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 Chicago Office and the FBI's Montgomery, Alabama 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](http://www.justice.gov/atr/contact/newcase.html) or call the FBI's Montgomery, Alabama Field Office at 334-263-1691.

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