



Department of Justice

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JAPANESE EXECUTIVE INDICTED IN FOOD FLAVORING CARTEL

WASHINGTON, D.C. -- A federal grand jury in Dallas today indicted Tamon Tanabe, a Japanese citizen and executive of Ajinomoto Co. Inc., a Japanese company, for participating in a worldwide conspiracy to fix the prices of, and allocate customers for, nucleotides, a food flavor enhancer, the Department of Justice announced.

The indictment, filed today in U.S. District Court in Dallas, charges that Tanabe, while acting as Ajinomoto's associate general manager, conspired with Ajinomoto's competitors to fix the prices and allocate customers of nucleotides sold in the United States and elsewhere from 1994 until 1996. Nucleotides are organic compounds used in the food flavor enhancement industry. They can be found in soups, sauces, spices and other foods.

"Today's case reflects the Antitrust Division's resolve to proceed aggressively against individuals who engage in international cartel activity that harms American businesses and consumers," said Charles A. James, Assistant Attorney General in charge of the Antitrust Division.

According to today's charge, Tanabe and his co-conspirators carried out the conspiracy by:

- agreeing to raise and fix prices for nucleotides;
- agreeing to allocate customers of nucleotides; and
- participating in meetings and conversations to monitor and enforce adherence to the agreed-upon prices, the timing of price increases, and the allocation of customers.

Tanabe is charged with violating Section One of the Sherman Act, which carries a maximum fine of \$350,000 and three years imprisonment 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.

Today's case resulted from an ongoing investigation being conducted by the Antitrust Division's Dallas Field Office and the Federal Bureau of Investigation in Dallas.

Anyone with information concerning price fixing in the food flavor enhancer industry should contact the Dallas Field Office of the Antitrust Division at (214) 880-9401, or the Dallas Office of the FBI at (214) 720-2200.

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