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JOHN P. HEHMAN
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UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF OHIO
WESTERN DIVISION

UNITED STATES OF AMERICA	Criminal No. 1:14CR044
v.	Filed: WEBER
SHOWA CORPORATION,	Violation: 15 U.S.C. § 1
Defendant.	

INFORMATION

COUNT ONE
CONSPIRACY TO RESTRAIN TRADE
(15 U.S.C. § 1)

THE UNITED STATES, ACTING THROUGH ITS ATTORNEYS, CHARGES:

Defendant and Co-Conspirators

1. Showa Corporation ("Defendant") is a corporation organized and existing under the laws of Japan, with its principal place of business in Saitama, Japan. During the period covered by this Information, Defendant was engaged in the manufacture and sale of pinion-assist type electric powered steering assemblies to Honda Motor Co., Ltd. and certain of its subsidiaries in the United States and elsewhere ("Honda") for installation in vehicles manufactured and sold in the United States and elsewhere.

2. Various corporations and individuals, not made defendants in this Information, participated as co-conspirators in the offense charged in this Information and performed acts and made statements in furtherance of it.

3. Whenever in this Information reference is made to any act, deed, or transaction of any corporation, the allegation means that the corporation engaged in the act, deed, or transaction

by or through its officers, directors, agents, employees, or other representatives while they were actively engaged in the management, direction, control, or transaction of its business or affairs.

Background of the Offense

4. During the period covered by this Information, Defendant and its co-conspirators manufactured and sold pinion-assist type electric powered steering assemblies to Honda for installation in vehicles manufactured and sold in the United States and elsewhere. During the period covered by this Information, Defendant and its co-conspirators manufactured and sold pinion-assist type electric powered steering assemblies: (a) in the United States and elsewhere for installation in vehicles manufactured and sold in the United States; (b) in Japan and elsewhere for export to the United States and installation in vehicles manufactured and sold in the United States; and (c) in Japan and elsewhere for installation in vehicles manufactured in Japan and elsewhere for export to and sale in the United States.

5. Pinion-assist type electric powered steering assemblies provide power to the steering gear pinion shaft from electric motors to assist the driver to more easily steer the automobile. Pinion-assist type electric powered steering assemblies include an electronic control unit and link the steering wheel to the tires but do not include the column, intermediate shaft, steering wheel or tires. When purchasing pinion-assist type electric powered steering assemblies, automobile manufacturers typically issue Requests for Quotation ("RFQs") to automotive parts suppliers on a model-by-model basis for model specific parts. Automotive parts suppliers submit quotations, or bids, to the automobile manufacturers in response to the RFQs, and the automobile manufacturers award the business to the selected automotive parts supplier for the lifespan of the model, which is usually four to six years. Typically, the bidding process for a particular model begins more than three years prior to the start of production.

Automobile manufacturers procure parts for U.S.-manufactured vehicles in the United States and elsewhere.

Conspiracy to Restrain Trade

6. From at least as early as 2007 and continuing until as late as September 2012, the exact dates being unknown to the United States, Defendant and its co-conspirators participated in a combination and conspiracy to suppress and eliminate competition in the automotive parts industry by agreeing to rig bids for, and to fix, stabilize, and maintain the prices of pinion-assist type electric powered steering assemblies sold to Honda in the United States and elsewhere. The combination and conspiracy engaged in by Defendant and its co-conspirators was in unreasonable restraint of interstate and foreign trade and commerce in violation of Section 1 of the Sherman Act (15 U.S.C. § 1).

7. The charged combination and conspiracy consisted of a continuing agreement, understanding, and concert of action among Defendant and its co-conspirators, the substantial terms of which were to rig bids for, and to fix, stabilize, and maintain prices of, pinion-assist type electric powered steering assemblies sold to Honda in the United States and elsewhere.

Manner and Means of the Conspiracy

8. For the purpose of forming and carrying out the charged combination and conspiracy, Defendant and its co-conspirators did those things that they combined and conspired to do, including, among other things:

(a) participating in meetings, conversations, and communications to discuss the bids and price quotations to be submitted to Honda in the United States and elsewhere;

(b) agreeing, during those meetings, conversations, and communications on bids and price quotations to be submitted to Honda in the United States and elsewhere;

(c) submitting bids and price quotations to Honda in the United States and elsewhere;

(d) exchanging information on bids, price quotations, and price adjustments to be submitted to Honda in the United States and elsewhere, in order to effectuate the agreements;

(e) selling pinion-assist type electric powered steering assemblies to Honda in the United States and elsewhere at collusive and noncompetitive prices;

(f) accepting payment for pinion-assist type electric powered steering assemblies sold to Honda in the United States and elsewhere at collusive and noncompetitive prices;

(g) engaging in meetings, conversations, and communications for the purpose of monitoring adherence to the agreed-upon bid-rigging and price-fixing scheme; and

(h) employing measures to keep their conduct secret, including, but not limited to, using code names and meeting at remote locations.

Trade and Commerce

9. During the period covered by this Information, Defendant and its co-conspirators sold to Honda located in Ohio in the United States substantial quantities of pinion-assist type electric powered steering assemblies shipped from outside the United States and from other states in a continuous and uninterrupted flow of interstate and foreign trade and commerce. In addition, substantial quantities of equipment and supplies necessary to the manufacture and sale of pinion-assist type electric powered steering assemblies sold by Defendant and its co-

conspirators, as well as substantial payments for pinion-assist type electric powered steering assemblies sold by Defendant and its co-conspirators, traveled in interstate and foreign trade and commerce. The business activities of Defendant and its co-conspirators in connection with the manufacture and pinion-assist type sale of electric powered steering assemblies that were the subject of the charged conspiracy were within the flow of, and substantially affected, interstate and foreign trade and commerce.

Jurisdiction and Venue

10. The combination and conspiracy charged in this Information was carried out within the Southern District of Ohio, at least in part, within the five years preceding the filing of

this Information.

ALL IN VIOLATION OF TITLE 15, UNITED STATES CODE, SECTION 1.

Dated:

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