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UNITED STATES DISTRICT COURT  
EASTERN DISTRICT OF MICHIGAN  
SOUTHERN DIVISION

UNITED STATES OF AMERICA,

v.

AUTOLIV, INC.

Defendant.

Case:5:12-cr-20383

Judge: O'Meara, John Corbett

MJ: Michelson, Laurie J.

Filed: 06-06-2012 At 09:16 AM

INFO USA V AUTOLIV, INC (LG)

Count I: 15 U.S.C. § 1

Count II: 15 U.S.C. § 1

**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. Autoliv, Inc. ("Defendant") is a corporation organized and existing under the laws of Delaware with its principal place of business in Stockholm, Sweden. During the period covered by this Count, Defendant was engaged in the business of manufacturing and selling seatbelts to Japanese Automobile Manufacturer A for installation in vehicles manufactured and sold in the United States and elsewhere.

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

3. Whenever in this Count 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, employees, agents, 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 Count, Defendant and its co-conspirators supplied seatbelts to Japanese Automobile Manufacturer A for installation in vehicles manufactured and/or sold in the United States and elsewhere. During the period covered by this Count, Defendant and its co-conspirators manufactured seatbelts (a) in Japan and elsewhere for export to the United States and installation in vehicles manufactured and sold in the United States, and (b) in Japan and elsewhere for installation in vehicles manufactured in Japan for export to and sale in the United States.

5. Seatbelts are safety strap restraints designed to secure an occupant in position in a vehicle in the event of an accident. A seatbelt includes belt webbing, a buckle, a retractor, and hardware for installation in a vehicle. It may also include, depending on the requirements of the vehicle manufacturer, a height adjuster, a pretensioner, or other devices associated with the seatbelt.

6. When purchasing seatbelts, automobile manufacturers 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 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 approximately three years prior to the start of production. Japanese automobile manufacturers procure parts for U.S.-manufactured vehicles both in Japan and the United States.

### **Conspiracy to Restrain Trade**

7. From at least as early as May 2008 and continuing until at least February 2011, 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, certain seatbelts sold to Japanese Automobile Manufacturer A 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 the Sherman Antitrust Act, 15 U.S.C. § 1.

8. 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 the prices of, seatbelts sold to Japanese Automobile Manufacturer A in the United States and elsewhere.

### **Manner and Means of the Conspiracy**

9. For purposes 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 Japanese Automobile Manufacturer A for seatbelts;

b. agreeing, during those meetings, conversations, and communications, on bids and price quotations to be submitted to Japanese Automobile Manufacturer A for seatbelts;

- c. agreeing, during those meetings, conversations, and communications, to allocate the supply of seatbelts sold to Japanese Automobile Manufacturer A on a model-by-model basis;
- d. submitting bids and price quotations to Japanese Automobile Manufacturer A in accordance with the agreements reached;
- e. selling seatbelts to Japanese Automobile Manufacturer A at collusive and noncompetitive prices; and
- f. accepting payment for seatbelts sold to Japanese Automobile Manufacturer A at collusive and noncompetitive prices.

#### **Trade and Commerce**

10. Defendant and its co-conspirators sold to Japanese Automobile Manufacturer A substantial quantities of seatbelts 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 production and distribution of seatbelts sold by Defendant and its co-conspirators, as well as payments for seatbelts sold by Defendant and its co-conspirators, traveled in interstate and foreign commerce. The business activities of Defendant and its co-conspirators in connection with the production and sale of seatbelts 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**

11. The combination and conspiracy charged in this Count was carried out within the United States, at least in part, within the five years preceding the filing of this Information.

### **COUNT TWO CONSPIRACY TO RESTRAIN TRADE (15 U.S.C. § 1)**

THE UNITED STATES, ACTING THROUGH ITS ATTORNEYS, CHARGES:

**Defendant and Co-Conspirators**

12. Each and every allegation contained in paragraphs 1 through 3 and 5 of Count One of this Information is realleged and reasserted here as if fully set forth in this Count.

**Background of the Offense**

13. During the period covered by this Count, Defendant and its co-conspirators supplied seatbelts, airbags, and steering wheels to Japanese Automobile Manufacturer B for installation in vehicles manufactured and/or sold in the United States and elsewhere. During the period covered by this Count, Defendant and its co-conspirators manufactured seatbelts, airbags, and steering wheels (a) in Japan and elsewhere for export to the United States and installation in vehicles manufactured and sold in the United States, and (b) in Japan and elsewhere for installation in vehicles manufactured in Japan for export to and sale in the United States.

14. Airbags are occupant restraints designed to control the movement of an occupant inside a vehicle in case of an accident. An airbag consists of a light fabric air bag, an inflator, which through use of pressurized gas (typically generated by pyrotechnic materials), rapidly inflates the airbag upon deployment, and an initiator to initiate the deployment. It may also include, depending on the requirements of the vehicle manufacturer, an injection molded plastic decorative cover or other devices associated with the airbag. Steering wheels consist of a die-cast armature (frame) covered by molded polyurethane and finished with leather, wood trim, or plastic, and may include various electronic features and controls, depending on the requirements of the vehicle manufacturer.

15. When purchasing seatbelts, airbags, and steering wheels, automobile manufacturers issue 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 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 approximately three years prior to the start of production. Japanese automobile manufacturers procure parts for U.S.-manufactured vehicles both in Japan and the United States.

### **Conspiracy to Restrain Trade**

16. From at least as early as March 2006 and continuing until at least February 2011, 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, certain seatbelts, airbags and steering wheels sold to Japanese Automobile Manufacturer B 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 the Sherman Antitrust Act, 15 U.S.C. § 1.

17. 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 the prices of, seatbelts, airbags, and steering wheels sold to Japanese Automobile Manufacturer B in the United States and elsewhere.

### **Manner and Means of the Conspiracy**

18. For purposes 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 Japanese Automobile Manufacturer B for seatbelts, airbags and steering wheels;

b. agreeing, during those meetings, conversations, and communications, on bids and price quotations to be submitted to Japanese Automobile Manufacturer B for seatbelts, airbags and steering wheels;

c. agreeing, during those meetings, conversations, and communications, to allocate the supply of seatbelts, airbags, and steering wheels sold to Japanese Automobile Manufacturer B on a model-by-model basis;

e. submitting bids and price quotations to Japanese Automobile Manufacturer B in accordance with the agreements reached;

f. selling seatbelts, airbags, and steering wheels to Japanese Automobile Manufacturer B at collusive and noncompetitive prices; and

g. accepting payment for seatbelts, airbags, and steering wheels sold to Japanese Automobile Manufacturer B at collusive and noncompetitive prices.

#### **Trade and Commerce**

19. Defendant and its co-conspirators sold to Japanese Automobile Manufacturer B substantial quantities of seatbelts, airbags, and steering wheels 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 production and distribution of seatbelts, airbags, and steering wheels sold by Defendant and its

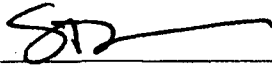
co-conspirators, as well as payments for seatbelts, airbags, and steering wheels sold by Defendant and its co-conspirators, traveled in interstate and foreign commerce. The business activities of Defendant and its co-conspirators in connection with the production and sale of seatbelts, airbags, and steering wheels 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**

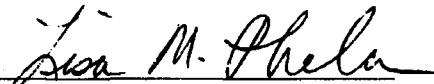
18. The combination and conspiracy charged in this Count was carried out within the United States, at least in part, within the five years preceding the filing of this Information.

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

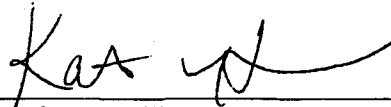
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