

UNITED STATES DISTRICT COURT
EASTERN DISTRICT OF MICHIGAN
SOUTHERN DIVISION

UNITED STATES OF AMERICA,

v.

KAZUMI UMAHASHI,

Defendant.

Case:2:14-cr-20760
Judge: Friedman, Bernard A.
MJ: Grand, David R.
Filed: 12-01-2014 At 01:37 PM
INFO USA V. UMAHASHI (DA)

Violation: 15 U.S.C. § 1

INFORMATION

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

THE UNITED STATES, ACTING THROUGH ITS ATTORNEYS, CHARGES:

Defendant and Co-Conspirators

1. During the period covered by this Information, Kazumi Umahashi ("Defendant") was employed by Mitsuba Corporation ("Mitsuba"), a corporation organized and existing under the laws of Japan with its principal place of business in Gunma, Japan. During the period covered by this Information, Defendant was employed as General Manager, and was responsible for Honda sales at Mitsuba.

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, 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 Information, Defendant and his co-conspirators supplied automotive parts including windshield wiper systems and components thereof, and starter motors, to automobile manufacturers including Honda Motor Company Ltd. and certain of its subsidiaries, affiliates, suppliers, and others, for installation in vehicles manufactured and sold in the United States and elsewhere.

5. During the period covered by this Information, Mitsuba and its co-conspirators manufactured automotive parts including windshield wiper systems and components thereof, and starter motors: (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 for export to and sale in the United States.

6. Windshield wiper systems include the motor, linkage, arm and blade necessary to clear water or snow from vehicle windows. Starter motors are small electric motors used in starting internal combustion engines. When purchasing automotive parts, 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 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. Automobile manufacturers procure parts for U.S.-manufactured vehicles in the United States and elsewhere.

Conspiracy to Restrain Trade

7. From in or about June 2005 to in or about December 2009, the exact dates being unknown to the United States, Defendant and his 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 automotive parts sold to Honda Motor Company Ltd. and certain of its subsidiaries, affiliates, suppliers, and others in the United States and elsewhere. The combination and conspiracy engaged in by Defendant and his 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 his co-conspirators, the substantial terms of which were to rig bids for, and to fix, stabilize, and maintain the prices of certain automotive parts, including windshield wiper systems, windshield washer systems, starter motors, power window motors, and fan motors, sold to automobile manufacturers 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 his 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 automobile manufacturers in the United States and elsewhere;

- b. agreeing, during those meetings, conversations, and communications, on bids and price quotations to be submitted to automobile manufacturers in the United States and elsewhere;
- c. agreeing, during those meetings, conversations, and communications, to allocate the supply of certain automotive parts sold to automobile manufacturers in the United States and elsewhere;
- d. agreeing, during those meetings, conversations, and communications, to coordinate price adjustments requested by automobile manufacturers in the United States and elsewhere;
- e. submitting bids, price quotations, and price adjustments to automobile manufacturers in the United States and elsewhere in accordance with the agreements reached;
- f. selling certain automotive parts to automobile manufacturers in the United States and elsewhere at collusive and noncompetitive prices;
- g. accepting payment for certain automotive parts sold to automobile manufacturers in the United States and elsewhere at collusive and noncompetitive prices; and
- h. engaging in meetings, conversations, and communications in the United States and elsewhere for the purpose of monitoring and enforcing adherence to the agreed-upon bid-rigging and price-fixing scheme; and
- i. employing measures to keep their conduct secret, including, but not limited to, using code names and meeting at remote locations.

Trade and Commerce

10. During the period covered by this Information, Mitsuba and its co-conspirators sold to automobile manufacturers located in various states in the United States substantial quantities of various automotive parts 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 various automotive parts sold by Mitsuba and its co-conspirators, as well as payments for various automotive parts sold by Mitsuba and its co-conspirators, traveled in interstate and foreign trade and commerce. The business activities of Defendant and his co-conspirators in connection with the production and sale of certain automotive parts 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 Information was carried out, at least in part, in the Eastern District of Michigan within the five years preceding the filing of this Information.

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

Dated: 12/01/14

s/ Brent Snyder

Brent Snyder
Deputy Assistant Attorney General
Antitrust Division
United States Department of Justice

s/ Lisa M. Phelan

Lisa M. Phelan
Chief, Washington Criminal I
Antitrust Division
United States Department of Justice

s/ Marvin N. Price

Marvin N. Price
Director of Criminal Enforcement
Antitrust Division
United States Department of Justice

s/ Kenneth W. Gaul

Kenneth W. Gaul
Jason D. Jones
Emma M. Burnham
Sonia Mittal
Trial Attorneys, Washington Criminal I
Antitrust Division
United States Department of Justice
450 5th St. NW, Suite 11300
Washington, DC 20530-0001
Tel: (202) 307-6694