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11 UNITED STATES DISTRICT COURT  
12 NORTHERN DISTRICT OF CALIFORNIA  
13 SAN FRANCISCO DIVISION

15 UNITED STATES OF AMERICA ) No. 15-CR-0163-JD  
16 v. )  
17 TAKESHI MATSUZAKA, ) VIOLATION: 15 U.S.C. § 1  
18 KANAME TAKAHASHI, ) Price Fixing  
19 TOKUO TATAI, )  
20 TOMOHIDE DATE, )  
21 SATORU MIYASHITA, )  
22 YASUTOSHI OHNO, )  
MASANOBU SHIOZAKI, )  
KIYOAKI SHIROTORI, and )  
TAKURO ISAWA, )  
23 Defendants. )

24 SECOND SUPERSEDING INDICTMENT

25 The Grand Jury charges that:

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I. DESCRIPTION OF THE OFFENSE

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2 1. The following individuals are hereby indicted and made defendants on the charge  
3 contained in this Indictment:

- 4 a) TAKESHI MATSUZAKA;
- 5 b) KANAME TAKAHASHI;
- 6 c) TOKUO TATAI;
- 7 d) TOMOHIDE DATE;
- 8 e) SATORU MIYASHITA;
- 9 f) YASUTOSHI OHNO;
- 10 g) MASANOBU SHIOZAKI;
- 11 h) KIYOAKI SHIROTORI; and
- 12 i) TAKURO ISAWA.

13 2. From at least as early as September 1997 and continuing until in or about January  
14 2014, in the Northern District of California and elsewhere, coconspirators of the defendants  
15 knowingly entered into and engaged in a combination and conspiracy to suppress and eliminate  
16 competition by fixing prices and rigging bids for electrolytic capacitors in the United States and  
17 elsewhere.

18 3. Each defendant knowingly joined and participated in the combination and  
19 conspiracy at various times:

- 20 a) Defendant TAKESHI MATSUZAKA knowingly joined and participated  
21 in the charged conspiracy from in or about January 2003 until in or about January 2014;
- 22 b) Defendant KANAME TAKAHASHI knowingly joined and participated in  
23 the charged conspiracy from in or about July 2003 until in or about April 2013;
- 24 c) Defendant TOKUO TATAI knowingly joined and participated in the  
25 charged conspiracy from in or about January 2009 until in or about January 2012;
- 26 d) Defendant TOMOHIDE DATE knowingly joined and participated in the  
27 charged conspiracy from in or about November 2001 until in or about December 2011;

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1 e) Defendant SATORU MIYASHITA knowingly joined and participated in  
2 the charged conspiracy from in or about January 2003 until in or about September 2012;

3 f) Defendant YASUTOSHI OHNO knowingly joined and participated in the  
4 charged conspiracy from in or about April 2000 until in or about September 2012;

5 g) Defendant MASANOBU SHIOZAKI knowingly joined and participated  
6 in the charged conspiracy from in or about November 2001 until in or about December  
7 2011;

8 h) Defendant KIYOAKI SHIROTORI knowingly joined and participated in  
9 the charged conspiracy from in or about April 2006 until in or about December 2011; and

10 i) Defendant TAKURO ISAWA knowingly joined and participated in the  
11 charged conspiracy from in or about August 2002 until at least March 18, 2010.

12 4. The charged combination and conspiracy consisted of a continuing agreement,  
13 understanding, and concert of action among the defendants and coconspirators, the substantial  
14 terms of which were to fix prices and rig bids for electrolytic capacitors. The combination and  
15 conspiracy engaged in by the defendants and coconspirators was in unreasonable restraint of  
16 interstate and foreign trade and commerce in violation of Section 1 of the Sherman Act (15  
17 U.S.C. § 1).

18  
19 II. BACKGROUND

20 5. Capacitors, also known as condensers, are a fundamental component of electrical  
21 circuits and are used primarily to store and regulate electrical current. Electrolytic capacitors,  
22 including aluminum and tantalum types, are a major subcategory of capacitors. Electrolytic  
23 capacitors are ubiquitous and are found in many products that use electricity, run on a battery, or  
24 plug into a socket. Desktop and notebook computers, flat-screen televisions, DVD players,  
25 video and still digital cameras, gaming systems, car engine and airbag systems, home appliances,  
26 office equipment, and motherboards and other printed circuit boards are some of the products  
27 that contain electrolytic capacitors.

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1 III. DEFENDANTS AND COCONSPIRATORS

2 6. During the time period identified in paragraph 3(a), defendant TAKESHI  
3 MATSUZAKA was a resident and citizen of Japan and was employed by Company A as a  
4 manager involved in the sale of electrolytic capacitors. During the time period identified in  
5 paragraph 2, Company A was a corporation organized and existing under the laws of Japan,  
6 manufactured electrolytic capacitors sold in the United States and elsewhere, and participated in  
7 the charged conspiracy.

8 7. During the time period identified in paragraph 3(b), defendant KANAME  
9 TAKAHASHI was a resident and citizen of Japan and was employed by Company A as a  
10 manager involved in the sale of electrolytic capacitors. During the time period identified in  
11 paragraph 2, Company A was a corporation organized and existing under the laws of Japan,  
12 manufactured electrolytic capacitors sold in the United States and elsewhere, and participated in  
13 the charged conspiracy.

14 8. During the time period identified in paragraph 3(c), defendant TOKUO TATAI  
15 was a resident and citizen of Japan and was employed by Company D as a manager involved in  
16 the sale of electrolytic capacitors. During the time period identified in paragraph 2, Company D  
17 was a corporation organized and existing under the laws of Japan, manufactured electrolytic  
18 capacitors sold in the United States and elsewhere, and participated in the charged conspiracy.

19 9. During the time period identified in paragraph 3(d), defendant TOMOHIDE  
20 DATE was a resident and citizen of Japan and was employed by NEC TOKIN Corp. as a  
21 manager involved in the sale of electrolytic capacitors. During the time period identified in  
22 paragraph 2, NEC TOKIN was a corporation organized and existing under the laws of Japan,  
23 manufactured electrolytic capacitors sold in the United States and elsewhere, and participated in  
24 the charged conspiracy.

25 10. During the time period identified in paragraph 3(e), defendant SATORU  
26 MIYASHITA was a resident and citizen of Japan and was employed by Company C as a  
27 manager involved in the sale of electrolytic capacitors. During the time period identified in  
28 paragraph 2, Company C was a corporation organized and existing under the laws of Japan,

1 manufactured electrolytic capacitors sold in the United States and elsewhere, and participated in  
2 the charged conspiracy.

3 11. During the time period identified in paragraph 3(f), defendant YASUTOSHI  
4 OHNO was a resident and citizen of Japan and was employed by Company A as a manager  
5 involved in the sale of electrolytic capacitors. During the time period identified in paragraph 2,  
6 Company A was a corporation organized and existing under the laws of Japan, manufactured  
7 electrolytic capacitors sold in the United States and elsewhere, and participated in the charged  
8 conspiracy.

9 12. During the time period identified in paragraph 3(g), defendant MASANOBU  
10 SHIOZAKI was a resident and citizen of Japan and was employed by Company B as a manager  
11 involved in the sale of electrolytic capacitors. During the time period identified in paragraph 2,  
12 Company B was a corporation organized and existing under the laws of Japan, manufactured  
13 electrolytic capacitors sold in the United States and elsewhere, and participated in the charged  
14 conspiracy.

15 13. During the time period identified in paragraph 3(h), defendant KIYOAKI  
16 SHIROTORI was a resident and citizen of Japan and was employed by Company C as a manager  
17 involved in the sale of electrolytic capacitors. During the time period identified in paragraph 2,  
18 Company C was a corporation organized and existing under the laws of Japan, manufactured  
19 electrolytic capacitors sold in the United States and elsewhere, and participated in the charged  
20 conspiracy.

21 14. During the time period identified in paragraph 3(i), defendant TAKURO ISAWA  
22 was a resident and citizen of Japan and was employed by Company A. While employed at  
23 Company A, ISAWA was, at times, a manager involved in the sale of electrolytic capacitors and  
24 held the title Global Sales General Manager. During the time period identified in paragraph 2,  
25 Company A was a corporation organized and existing under the laws of Japan, manufactured  
26 electrolytic capacitors sold in the United States and elsewhere, and participated in the charged  
27 conspiracy.

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1           15. Various business organizations and individuals, not made defendants in this  
2 Indictment, participated as coconspirators in the offense charged in this Indictment and  
3 performed acts and made statements in furtherance of it. The defendants' coconspirators  
4 included business organizations other than Company A, Company B, Company C, Company D,  
5 and NEC TOKIN that manufactured electrolytic capacitors sold in the United States and  
6 elsewhere.

7           16. Whenever in this Indictment reference is made to any act, deed, or transaction of  
8 any business organization, the allegation means that the business organization engaged in the act,  
9 deed, or transaction by or through its officers, directors, agents, employees, or other  
10 representatives, or by or through the officers, directors, agents, employees, or other  
11 representatives of its majority-owned and controlled subsidiaries, while they were actively  
12 engaged in the management, direction, control, or transaction of its business or affairs.

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14                           IV. MEANS AND METHODS OF THE CONSPIRACY

15           17. For the purpose of forming and carrying out the charged combination and  
16 conspiracy, the defendants and coconspirators did those things that they combined and conspired  
17 to do, including, among other things:

18                   a) participated in meetings, conversations, and communications with each  
19 other in various locations, including in the United States, to discuss prices and bids for  
20 electrolytic capacitors;

21                   b) agreed during various meetings, conversations, and communications to  
22 fix, increase, maintain, and stabilize prices and rig bids of electrolytic capacitors;

23                   c) negotiated prices, submitted bids, and issued price announcements for  
24 electrolytic capacitors in accordance with the agreements reached;

25                   d) manufactured electrolytic capacitors in accordance with the agreements  
26 reached;

27                   e) sold, distributed, and accepted payments for electrolytic capacitors at  
28 collusive, noncompetitive prices and bids in accordance with the agreements reached;

1 f) collected, exchanged, monitored, and discussed information on prices,  
2 bids, sales, supply, demand, shipping, and the production of electrolytic capacitors for the  
3 purpose of reaching agreements on prices and bids and monitoring and enforcing  
4 adherence to the agreements reached;

5 g) authorized, ordered, and consented to the participation of subordinate  
6 employees in the conspiracy; and

7 h) took steps to conceal the conspiracy and conspiratorial meetings,  
8 conversations, and communications through various means, such as using code names to  
9 refer to coconspirators, limiting and discouraging retention and distribution of documents  
10 reflecting conspiratorial contacts, and providing misleading justifications for prices and  
11 bids provided to customers to cover up their collusive conduct.

12 These means and methods of the conspiracy all involved electrolytic capacitors sold to customers  
13 located within the United States and elsewhere, including to customers that manufactured and/or  
14 sold in the United States, under major United States and other brands, significant quantities of  
15 electronic goods containing electrolytic capacitors, such as computers, televisions, and gaming  
16 systems.

## 17 18 V. TRADE AND COMMERCE

19 18. During the time period identified in paragraph 2, Company A, Company B,  
20 Company C, Company D, NEC TOKIN, and their coconspirators manufactured electrolytic  
21 capacitors in Japan, Thailand, China, the United States, and elsewhere and sold them in the  
22 United States or for delivery to the United States. The charged combination and conspiracy  
23 involved trade or commerce within the United States and U.S. import trade or commerce in  
24 electrolytic capacitors.

25 19. During the time period identified in paragraph 2, Company A, Company B,  
26 Company C, Company D, NEC TOKIN, and their coconspirators also sold foreign-manufactured  
27 electrolytic capacitors outside the United States for incorporation into other products, including  
28 computers, televisions, and gaming systems, that were sold in or for delivery to the United

1 States. The charged combination and conspiracy had a direct, substantial, and reasonably  
2 foreseeable effect on trade or commerce within the United States or U.S. import trade or  
3 commerce in these electrolytic capacitor-containing products, and that effect, in part, gives rise  
4 to this charge.

5 20. During the time period identified in paragraph 2, Company A, Company B,  
6 Company C, Company D, NEC TOKIN, and their coconspirators sold and shipped substantial  
7 quantities of electrolytic capacitors in a continuous and uninterrupted flow of interstate and U.S.  
8 import trade or commerce from the United States and foreign countries to customers located in  
9 various states in the United States, including states other than where the electrolytic capacitors  
10 were manufactured. In addition, substantial quantities of equipment and supplies necessary for  
11 the manufacture, sale, and distribution of electrolytic capacitors, as well as substantial payments  
12 for such electrolytic capacitors sold by Company A, Company B, Company C, Company D,  
13 NEC TOKIN, and their coconspirators, traveled in interstate and U.S. import trade or commerce.  
14 During the time period identified in paragraph 2, the business activities of Company A,  
15 Company B, Company C, Company D, NEC TOKIN, and their coconspirators that are the  
16 subject of this Indictment were within the flow of, and substantially affected, interstate and U.S.  
17 import trade or commerce. During the time period identified in paragraph 2, the charged  
18 combination and conspiracy had a substantial and intended effect in the United States, including  
19 on trade or commerce within the United States and U.S. import trade or commerce in electrolytic  
20 capacitors and products containing electrolytic capacitors.

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

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3 Dated: 12/14/2016, 2016. A TRUE BILL.

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5 FOREPERSON

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