



Department of Justice

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SECOND CALIFORNIA AFTERMARKET AUTO LIGHTS DISTRIBUTOR AGREES TO PLEAD GUILTY IN PRICE-FIXING CONSPIRACY

WASHINGTON – A second California aftermarket auto lights distributor has agreed to plead guilty for participating in a global conspiracy to fix the prices of aftermarket auto lights, the Department of Justice announced. Aftermarket auto lights are incorporated into an automobile after its original sale, often as repairs following a collision or as accessories and upgrades.

According to a one-count felony charge filed today in U.S. District Court in San Francisco, Maxzone Vehicle Lighting Corp. conspired with others to suppress and eliminate competition by fixing the prices of aftermarket auto lights. The department said that Maxzone, a wholly-owned subsidiary of the Taiwan-based aftermarket auto lights manufacturer Depo Auto Parts Industrial Co. Ltd., participated in the conspiracy from about April 2000 to about Sept. 3, 2008. Under the plea agreement, which is subject to court approval, Maxzone has agreed to pay a \$43 million criminal fine and to assist the department in its ongoing investigation into the aftermarket auto lights industry.

According to the charge, Maxzone and co-conspirators participated in a conspiracy in which the participants met and agreed to charge prices of aftermarket auto lights at certain predetermined levels. According to the court documents, the participants in the conspiracy issued price announcements and price lists in accordance with the agreements reached, and collected and exchanged information on prices and sales of aftermarket auto lights for the purpose of monitoring and enforcing adherence to the agreed-upon prices. The department said that the conspirators met in Taiwan, the United States and elsewhere for their discussions.

Maxzone is the second U.S. distributor of aftermarket auto lights to be charged in connection with the department's ongoing investigation into the aftermarket auto lights industry. On Aug. 30, 2011, the department announced that Sabry Lee (U.S.A.) Inc. was charged and had agreed to plead guilty. Three individuals have also been charged. Polo Shu-Sheng Hsu, the former president and chief executive officer of Maxzone, entered his guilty plea on March 29, 2011, and was sentenced to serve 180 days in prison and to pay a \$25,000 criminal fine. Chien Chung Chen, aka Andrew Chen, the former executive vice president of Sabry Lee, pleaded guilty to his participation in the conspiracy on June 7, 2011. He is currently scheduled to be sentenced on Dec. 13, 2011. Homy Hong-Ming Hsu was arrested at Los Angeles International Airport on July 12, 2011, and indicted on July 19, 2011. Homy Hong-Ming Hsu is the vice chairman and second highest-ranking officer of a Taiwan manufacturer of aftermarket auto lights.

Maxzone is charged with violating the Sherman Act, which carries a maximum penalty of a \$100 million criminal fine. The maximum fine may be increased to twice the gain derived from the crime or twice the loss suffered by the victims, if either of those amounts is greater than the statutory maximum fine.

This case is part of an ongoing joint investigation of the Department of Justice Antitrust Division's San Francisco Office and the FBI in San Francisco. Anyone with information concerning illegal or anticompetitive conduct in the aftermarket auto lights industry is urged to call the Antitrust Division's San Francisco Field Office at 415-436-6660 or visit www.justice.gov/atr/contact/newcase.htm.

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