



Department of Justice

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OHIO AUTOMOBILE PARTS SUPPLIER EXECUTIVE PLEADS GUILTY IN PRICE-FIXING AND BID-RIGGING CONSPIRACY

Executive Agrees to Serve One Year in U.S. Prison

WASHINGTON – An executive at the Ohio subsidiary of a Japanese automotive supplier pleaded guilty today for his role in a conspiracy to fix prices and rig bids of anti-vibration rubber parts sold in the United States and elsewhere, the Department of Justice announced. This is the first charge in the department’s ongoing investigation into price fixing and bid rigging in the automobile anti-vibration rubber parts industry, which is one of the department’s ongoing investigations into anticompetitive conduct in the automotive parts industry.

According to a one-count felony charge filed on Oct. 30, 2012, in the U.S. District Court for the Northern District of Ohio, in Toledo, Hiroshi Yoshida, a Japanese national employed at the Ohio-based U.S. subsidiary of an automobile anti-vibration rubber supplier headquartered in Saitama, Japan, participated in a conspiracy to rig bids for, and to fix prices of, automobile anti-vibration rubber parts sold in the United States and elsewhere. According to the charge, Yoshida’s involvement in the conspiracy began at least as early as October 2005 and continued until at least June 2011. The department said Yoshida and his co-conspirators carried out the conspiracy by agreeing, in meetings and discussions, to allocate the supply of certain automobile anti-vibration rubber parts, to exchange prices, to submit noncompetitive bids and to sell the parts at collusive and noncompetitive prices in the United States and elsewhere.

According to the plea agreement, Yoshida has agreed to serve 12 months and one day in a U.S. prison, to pay a \$20,000 criminal fine and to cooperate with the department’s ongoing investigation. Yoshida’s sentencing is scheduled to take place on Dec. 20, 2012.

Anti-vibration rubber parts are comprised primarily of rubber and metal, and are installed in automobiles to reduce engine and road vibration. Anti-vibration rubber parts are installed in suspension systems and engine mounts, as well as other parts of an automobile.

“This is the first charge in the division’s investigation into anticompetitive conduct involving automotive parts used to reduce engine and road vibration,” said Joseph Wayland, Acting Assistant Attorney General in charge of the Department of Justice’s Antitrust Division. “The aim of this multi-year conspiracy was to do away with competition among suppliers, through bid rigging and price fixing, in order to maximize profits.”

“We are pleased with the guilty plea entered today by Mr. Yoshida and his acceptance of responsibility, as the anti-vibration rubber parts industry is a critical component of the automobile manufacturing process,” said Stephen D. Anthony, Special Agent in Charge of the FBI Cleveland Division. “The Cleveland FBI is committed to working with our Department of Justice partners in the Antitrust Division to keep this industry and other critical industries competitive by aggressively pursuing any conspiracy in Northern Ohio that undermines free competition and our economy.”

Including Yoshida, nine companies and 12 executives have pleaded guilty or agreed to plead guilty in the department’s ongoing investigation into price fixing and bid rigging in the auto parts industry. Furukawa Electric Co. Ltd., DENSO Corp., Yazaki Corp., G.S. Electech Inc., Fujikura Ltd., Autoliv Inc. and TRW Deutschland Holding GmbH pleaded guilty and were sentenced to pay a total of more than \$790 million in criminal fines. Nippon Seiki Co. Ltd. and Tokai Rika Co. Ltd. have agreed to plead guilty and await arraignment and sentencing. Additionally, Junichi Funo, Hirotsugu Nagata, Tetsuya Ukai, Tsuneaki Hanamura, Ryoki Kawai, Shigeru Ogawa, Hisamitsu Takada, Norihiro Imai, Kazuhiko Kashimoto, Toshio Sudo and Makoto Hattori have pleaded guilty and been sentenced to pay criminal fines and to serve jail sentences ranging from a year and a day to two years each.

Yoshida is charged with violating the Sherman Act, which carries a maximum sentence of 10 years in prison and a \$1 million criminal fine for individuals. The maximum fine may be increased to twice the gain derived from the crime or twice the loss suffered by the victims of the crime, if either of those amounts is greater than the statutory maximum fine.

Today’s guilty plea arose from an ongoing federal antitrust investigation into price fixing, bid rigging and other anticompetitive conduct in the automobile anti-vibration rubber parts industry, which is being conducted by the Antitrust Division’s Chicago Field Office and the FBI’s Cleveland Field Office. Anyone with information concerning the subject of this investigation should contact the Antitrust Division’s Chicago Field Office at 312-353-7530 or visit www.justice.gov/atr/contact/newcase.htm.

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