



# Department of Justice

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## **STANLEY ELECTRIC CO. LTD. AGREES TO PLEAD GUILTY TO PRICE FIXING ON AUTOMOBILE PARTS INSTALLED IN U.S. CARS**

### *Company Agrees to pay \$1.44 Million Criminal Fine*

WASHINGTON – Stanley Electric Co. Ltd., a Tokyo-based company, has agreed to plead guilty and to pay a \$1.44 million criminal fine for its participation in a conspiracy to fix prices of lamp ballasts installed in cars sold in the United States and elsewhere, the Department of Justice announced today.

According to a one-count felony charge filed today in U.S. District Court for the Eastern District of Michigan in Detroit, Stanley Electric engaged in a conspiracy to rig bids for, and to fix, stabilize and maintain the prices of, automotive high-intensity discharge (HID) lamp ballasts sold to automakers in the United States and elsewhere. Stanley Electric has also agreed to cooperate with the department's ongoing investigation. The plea agreement is subject to court approval.

The department said that Stanley Electric and its co-conspirators sold or supplied the ballasts at noncompetitive prices to automakers in the United States and elsewhere. Stanley Electric's involvement in the conspiracy to fix prices of automotive HID lamp ballasts lasted from as early as July 1998 until at least February 2010.

Stanley Electric manufactures and sells automotive HID headlamps, which contain automotive HID lamp ballasts. An automotive HID lamp ballast is an electrical device that is essential for the operation of an HID headlamp. It regulates the electrical current used to ignite and control the electrical arc that generates the intensely bright light emitted by an automotive HID headlamp fixture.

The department said the company and its co-conspirators carried out the conspiracy through meetings and conversations in which they discussed and agreed upon bids, price quotations and price adjustments and agreed to allocate among the companies certain sales of HID lamp ballasts sold to automobile and component manufacturers.

Including Stanley, 23 corporations have been charged in the department's investigation into price fixing and bid rigging in the auto parts industry. Those companies have agreed to pay a total of over \$1.8 billion in fines. Additionally, 26 individuals have been charged.

Stanley Electric Co. Ltd. is charged with price fixing in violation of the Sherman Act, which carries a maximum penalty of a \$100 million criminal fine for corporations. 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 prosecution arose from an ongoing federal antitrust investigation into price fixing, bid rigging and other anticompetitive conduct in the automotive parts industry, which is being conducted by each of the Antitrust Division's criminal enforcement sections and the FBI. Today's charges were brought by the National Criminal Enforcement Section, with the assistance of the Detroit, Michigan Field Office of the FBI and the FBI headquarters' International Corruption Unit. Anyone with information concerning the focus of this investigation should contact the Antitrust Division's Citizen Complaint Center at 1-888-647-3258, visit [www.justice.gov/atr/contact/newcase.html](http://www.justice.gov/atr/contact/newcase.html), or call the Detroit Field Office of the FBI at 313-965-2323.

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