



Department of Justice

FOR IMMEDIATE RELEASE
TUESDAY, JANUARY 6, 2015
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FORMER TOYODA GOSEI EXECUTIVE AGREES TO PLEAD GUILTY TO PRICE FIXING AND BID RIGGING ON AUTOMOBILE PARTS INSTALLED IN U.S. CARS

Former Executive Agrees to Serve One Year and One Day in U.S. Prison

WASHINGTON – A former executive of Japan-based Toyoda Gosei Co. Ltd. has agreed to plead guilty and to serve one year and one day in a U.S. prison for his role in a conspiracy to fix prices and rig bids of automotive hoses installed in cars sold in the United States, the Department of Justice announced today.

A one-count felony charge was filed today in the U.S. District Court for the Northern District of Ohio in Toledo against Makoto Horie, a Japanese national. According to the charge, Horie along with co-conspirators, conspired to fix the prices of certain automotive hoses sold to Toyota Motor Corp. and certain of its subsidiaries, affiliates and suppliers, in the United States. According to the charge, Horie participated in the conspiracy from at least as early as March 2007 until at least September 2010. In addition to the prison term, Horie has agreed to pay a \$20,000 criminal fine and to cooperate with the department's ongoing investigation. The plea agreement is subject to court approval.

“The charge today once again demonstrates the Antitrust Division’s vigorous commitment to holding individuals accountable for engaging in anticompetitive conduct,” said Brent Snyder, Deputy Assistant Attorney General for the Antitrust Division’s criminal enforcement program. “The division’s ongoing investigation has resulted in more than two dozen executives serving prison time for their participation in illegal conspiracies involving auto parts.”

Toyoda Gosei manufactures and sells a variety of automotive parts, including certain automotive hoses. On Sept. 29, 2014, the Department of Justice announced that Toyoda Gosei had agreed to plead guilty and pay a \$26 million criminal fine for its role in this conspiracy and another conspiracy involving automotive airbags and steering wheels.

Horie, a Japanese national, was employed at Toyoda Gosei North America, in Troy, Michigan, a subsidiary of Toyoda Gosei, as Vice President of Sales between March 2007 and December 2007, and as Senior Vice President of Sales between January 2008 and January 2010; and was employed at Toyoda Gosei in Japan as a sales general manager between February 2010 and September 2010.

To date, 49 individuals have been charged in the government's ongoing investigation into price fixing and bid rigging in the auto parts industry. Additionally, 32 companies have pleaded guilty or agreed to plead guilty and have agreed to pay a total of over \$2.4 billion in fines.

Horie is charged with price fixing and bid rigging in violation of the Sherman Act, which carries a maximum penalty of 10 years in prison and a \$1 million criminal fine for individuals. The maximum fine for an individual 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 charge is the result of 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 charge was brought by the Antitrust Division's Chicago Office and the FBI's Cleveland Field Office, Lima Resident Agency with the assistance of the FBI headquarters' International Corruption Unit and the U.S. Attorney's Office for the Northern District of Ohio. Anyone with information on price fixing, bid rigging and other anticompetitive conduct related to other products in the automotive parts industry should contact the Antitrust Division's Citizen Complaint Center at 1-888-647-3258, visit www.justice.gov/atr/contact/newcase.html or call the FBI's Cleveland Field Office at 1-216-522-1400.

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