

The JFTC Issued Cease and Desist Orders and Surcharge Payment Orders to Participants  
in Bid-rigging Conspiracies for Automotive Parts

November 22<sup>nd</sup>, 2012  
Japan Fair Trade Commission

The Japan Fair Trade Commission (JFTC) issued cease and desist orders and surcharge payment orders based on Article 7(2) and Article 7-2(1) of the Antimonopoly Act (AMA) respectively to automotive parts manufacturers listed below. The companies conspired in procurements of automotive generators, automotive starters, automotive windshield wiper systems, and automotive radiators and electrical fans (note1) ordered by automobile companies (note2), which constitute violations of the AMA.

The JFTC initiated the investigation in July 2011 at around the same time as other competition authorities including the United States Department of Justice.

(Note1) See Appendix for details.

(Note2) "Automobile companies" are Honda Motor Co.,Ltd. (Honda), Suzuki Motor Corporation (Suzuki), Nissan Motor Co.,Ltd. and Nissan Shatai Co.,Ltd. (Nissan) , and Fuji Heavy Industries Ltd. (Fuji)

1. The violators, the number of cease and desist orders and the number of surcharge payment orders that each violator received, and the amount of the surcharge

Violators	Number of cease and desist orders received	Number of surcharge payment orders received	Total amount of surcharge (yen)
Mitsubishi Electric Corporation (Mitsubishi)	4	4	1,410,310,000
Mitsuba Corporation (Mitsuba)	4	4	1,107,510,000
T.RAD Co., Ltd. (T.RAD)	1	1	672,350,000
Calsonic Kansei Corporation (Calsonic Kansei)	1	1	198,660,000
Hitachi Automotive Systems, Ltd. (Hitachi Automotive)	2	—	—
Hitachi, Ltd. (Hitachi)	—	—	—
Denso Corporation (Denso)	—	—	—
Total			3,388,830,000

(Note3) "—" means the company that is found to be a violator but not subject to a cease and desist order or a surcharge payment order.

(Note4) Hitachi Automotive succeeded Hitachi's business of alternators and starters as of July 1<sup>st</sup>, 2009, when Hitachi Automotive was incorporated through incorporation-type company split by Hitachi, and since the date, Hitachi does not run the business.

## 2. Outlines of the violations

According to the table below, the violators substantially restrained competition in the fields of each product ordered by each automobile company, by designating successful bidders and managing to have the designated successful bidders win the biddings, respectively.

Products	Automobile companies	Starting date of the violations (at least as early as)	Violators
Generators	Honda	November 2000	Mitsubishi Denso
	Suzuki	July 2001	Mitsubishi Hitachi Automotive Hitachi Denso
Starters	Honda	November 2000	Mitsuba Mitsubishi Denso
	Suzuki	July 2001	Mitsubishi Hitachi Automotive Hitachi Denso
Windshield wiper systems	Suzuki	September 2002	Mitsuba Denso
	Nissan	March 2003	Mitsuba Denso
	Fuji	June 2000	Mitsuba Denso
Radiators and electrical fans	Honda	February 2001	T.RAD Denso
	Fuji	March 2002	Calsonic Kansei Denso

(Note5) Starting date of the violations of Hitachi Automotive is July 1<sup>st</sup>, 2009.

## 3. Outlines of the cease and desist orders

(1) Each company who received the cease and desist orders shall adopt a resolution at their board of directors confirming that it has terminated the conducts in the above 2, and that it will independently carry out its business without engaging in any similar conducts as those referred in the above 2.

(2) Each company who received the cease and desist orders shall each notify the other violators and the automobile manufactures of the measure taken in accordance with the

above 3(1), and shall have such measure disseminated to its employees.

(3) Each company who received the cease and desist orders shall not engage in any similar conducts as those referred in the above 2 in the future.

(4) Each company who received the cease and desist orders shall take measures necessary to address the followings:

(a) Thorough announcement to its employees of guidelines on compliance with the AMA in relation to sales activities for its own products;

(b) Implementation of regular trainings for its employees engaged in sales of the products referred in the above 2 and regular audits by legal department, with regard to compliance with the AMA.

4. Outline of the surcharge payment orders

(1) Each company who received the surcharge payment orders shall pay the amount of the surcharge listed in the above 1 by February 25<sup>th</sup>, 2013.

(2) Based on Article 7-2(7) of the AMA, the JFTC increased the amount of the surcharge by 50 percent against the company who had received another surcharge payment order within the past 10 years.