The JFTC Issued Cease and Desist Orders and Surcharge Payment Orders to Participants in Bid-rigging Conspiracies for Automotive Headlamps and Rear Combination Lamps

March 22, 2013

Japan Fair Trade Commission

The Japan Fair Trade Commission (JFTC) today 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 lamps manufacturers listed below. The companies conspired in rigged procurements of headlamps and rear combination lamps (note1) ordered by automobile companies (note2), which constitute violations of the AMA.

- (Note1) A "headlamp" is an automotive lamp installed in the front of an automobile, which consists of lights such as headlight, clearance lamp and turn signal. A "rear combination lamp" is an automotive lamp installed in the rear of an automobile, which consists of lights such as buckup lamp, tail light, stop lamp and turn signal.
- (Note2) "Automobile companies" are Nissan Motor Co.,Ltd. and Nissan Shatai Co.,Ltd. (collectively, Nissan),

  Toyota Motor Corporation (Toyota), Fuji Heavy Industries Ltd. (Fuji), Mitsubishi Motor Corporation

  (Mitsubishi), and Mazda Motor Corporation (Mazda).
- 1. The violators, the numbers of cease and desist orders and surcharge payment orders that each violator received, the surcharge amounts

	Number of cease	Number of	Total amounts
Violators	and desist orders	surcharge payment	of surcharges
	received	orders received	(JPY)
KOITO MANUFACTURING	5	5	3,428,590,000
CO., LTD. (Koito)	5		
ICHIKOH INDUSTRIES, LTD.		3	1,250,100,000
(Ichikoh)	-	3	
Stanley Electric Co., Ltd.			-
(Stanley)	-	-	
Total			4,678,690,000

(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.

## 2. Outlines of the violations

As detailed in the table below, the violators substantially restrained competition in the fields of headlamps and rear combination lamps ordered by each automobile company, by designating successful bidders and managing to have the designated successful bidders win the bids, respectively.

Automobile companies	Starting date of the violations (at least as early as)	Violators
Nissan		Koito
	February 2003	Ichikoh
		Stanley
Toyota		Koito
	February 2007	Ichikoh
		Stanley
Fuji		Koito
	July 2002	Ichikoh
		Stanley
Mitsubishi	luna 2004	Koito
	June 2004	Stanley
Mazda	luna 2004	Koito
	June 2004	Stanley

## 3. Outlines of the cease and desist orders

- (1) The company who received the cease and desist orders shall adopt a resolution at its 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) The company who received the cease and desist orders shall notify the other violators and the automobile companies of the measures taken in accordance with the above 3(1), and shall have such measures disseminated to its employees.
- (3) The 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) The 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 its legal department, with regard to compliance with the AMA.
- 4. Outline of the surcharge payment orders

Each company who received the surcharge payment orders shall pay the amount of the surcharge listed in the above 1 by June 24, 2013.