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Yazaki Settles Car Parts Antitrust Claims For \$212M

By [Suevon Lee](#)

Law360, Los Angeles (January 18, 2017, 10:38 PM EST) -- Japanese automotive parts supplier [Yazaki Corporation](#) and Chiyoda Manufacturing Corporation agreed on Wednesday to pay \$212 million and \$1.15 million, respectively, to settle a lawsuit in Michigan federal court with purchasers of their products alleging the companies conspired to fix prices for in-car electronic systems.

The agreements, which are subject to preliminary approval by U.S. District Judge Marianne O. Battani, are the latest settlements in a price-fixing antitrust suit against a slew of defendants including Fujikura Ltd., [Lear Corporation](#) and others involving a wide variety of automotive components, including wiring harnesses and brake hoses.

The \$212 million deal with Yazaki Corp. and its subsidiary Yazaki North American Inc. is by far the largest settlement to emerge from the suit with any one defendant. Combined with the \$1.15 million settlement with Chiyoda, the Yazaki deal raises the total amount of settlements in the suit to nearly \$257 million, according to Wednesday's motion seeking preliminary approval of the latest deals.

"In sum, the settlements with Yazaki and Chiyoda are the result of extensive good faith negotiations, after factual investigation, extensive discovery and legal analysis by experienced counsel," the motion stated. "Accordingly, plaintiffs believe that the proposed settlements are fair, reasonable and adequate to the settlement class."

The direct purchaser plaintiffs on Wednesday also asked Judge Battani to conditionally certify the direct purchaser Yazaki and Chiyoda settlement classes.

The Yazaki settlement class covers individuals and entities that bought wire harness products in the U.S. directly from one or more defendants or co-conspirators from Jan. 1, 2000, through Dec. 13, 2016. The Chiyoda settlement class includes entities who bought wire harness products in the U.S. directly from one or more defendants or co-conspirators from Jan. 1, 2000, through May 5, 2014.

The litigation stems from a joint investigation by U.S., Japanese and European authorities in and around 2011 into the price-fixing. The investigation led to approximately \$2.4 billion in criminal fines paid to the [U.S. Department of Justice](#).

A number of direct purchasers, dealerships and vehicle buyers subsequently brought lawsuits against the companies named in the investigation. The lawsuits accused the companies of forcing the plaintiffs to pay more for the automotive products than they would have paid if the illegal conduct did not occur in the first place.

According to Wednesday's motion, the Yazaki and Chiyoda deals were struck after the court gave final approval to a \$4.75 million settlement with Lear Corporation in January 2015.

Additional settlements with other defendants soon followed.

G.S. Electech reached a \$3.1 million settlement in April 2016, which was preliminarily approved in October. The Fukijura defendants reached a [\\$9.5 million settlement](#) with direct purchasers, which was preliminarily approved earlier this month. And a motion seeking preliminary approval of a \$25 million deal with the Sumitomo defendants was filed with the court earlier this month.

The direct purchasers are represented by Steven A. Kanner, William H. London and Michael E. Moskovitz of [Freed Kanner London & Millen LLC](#), David H. Fink, Darryl Bressack and Nathan J. Fink of [Fink & Associates Law](#), Joseph C. Kohn, William E. Hoese and Douglas A. Abrahams of Kohn Swift & Graf PC, Gregory P. Hansel, Randall B. Weill and Michael Smith of [Preti Flaherty Beliveau & Pachios LLP](#), and Eugene A. Spector, William G. Caldes, Jonathan M. Jagher and Jeffrey L. Spector of [Spector Roseman Kodroff & Willis PC](#).

Yazaki is represented by John M. Majoras, Michael R. Shumaker, Michelle K. Fischer and Tiffany Danielle Lipscomb-Jackson of [Jones Day](#).

Chiyoda is represented by Brian Joseph Smith, Courtney E. Torres, Lauren N. Norris, Lauren B. Salins, Michael E. Martinez, Molly K. McGinley and Steven M. Kowal of [K&L Gates LLP](#).

The case is Wire Harness - Direct Purchaser Actions, case number [2:12-cv-00101](#), in the U.S. District Court for the Eastern District of Michigan.

--Additional reporting by Matthew Guarnaccia. Editing by Philip Shea.