



**Department of Justice**

Office of Public Affairs

FOR IMMEDIATE RELEASE

Friday, February 14, 2020

## **Two Executives Indicted in Long-Running Antitrust Conspiracy to Fix Prices for Disk Drive Components**

A federal grand jury returned an indictment against Hitoshi Hashimoto and Hiroyuki Tamura for their role in a global conspiracy to fix prices for suspension assemblies used in hard disk drives, the Department of Justice announced today.

Hashimoto and Tamura, both Japanese citizens, are former top sales executives at NHK Spring Co. Ltd. (NHK Spring), which has pleaded guilty and been sentenced to pay a \$28.5 million fine.

The indictment, filed yesterday in the U.S. District Court for the Northern District of California, alleges that, from at least as early as May 2008 and continuing until at least April 2016, Hashimoto and Tamura participated in a conspiracy with their competitors to stabilize, maintain, and fix the prices of suspension assemblies used in hard disk drives. The conspirators accomplished their scheme by, among other things, agreeing to refrain from competing on prices and allocating their respective market shares. The conspirators also exchanged pricing information including anticipated pricing quotes, which they used to inform their negotiations with U.S. and foreign customers that purchased suspension assemblies and produced hard disk drives for sale in, or delivery to, the United States and elsewhere.

“This charge demonstrates that antitrust violations are not just corporate offenses but also crimes by individuals,” said Assistant Attorney General Makan Delrahim of the Antitrust Division. “The Antitrust Division is committed to prosecuting culpable senior executives who circumvent the antitrust laws in order to cheat consumers.”

“The FBI, through its International Corruption Unit, is dedicated to ensuring the U.S. market remains free and open,” said Assistant Director Calvin Shivers of the FBI Criminal Investigative Division. “The individuals indicted yesterday tried to cheat the system and unfairly profit at the expense of American consumers. The FBI, with our partners at the United States Postal Service Office of Inspector General and the Department of Justice, disrupted their scheme and now these individuals will face justice.”

“The U.S. Postal Service spends hundreds of millions of dollars every year on supplies and services related to information technology, including computers and associated hardware,” said Special Agent in Charge Scott Pierce, U.S. Postal Service Office of Inspector General. “These indictments send an important message to anyone who might engage in conduct violating the Sherman Antitrust Act. Along with the Department of Justice and our federal law enforcement partners, the U.S. Postal Service Office of Inspector General will continue to aggressively investigate those who would engage in this type of harmful behavior.”

Suspension assemblies are components of hard disk drives, which are used to store information electronically and are incorporated into computers or sold as stand-alone electronic storage devices. Hard disk drives use magnetic recording heads to read from and write onto rapidly spinning disks. Suspension assemblies hold the recording heads in close proximity to the disks and provide the electrical connection from the recording heads to the hard disk drives' circuitry.

The charge in the indictment carries a maximum penalty of 10 years in prison and a \$1 million fine. The maximum fine may be increased to twice the gain derived from the crime or twice the loss suffered by victims if either amount is greater than \$1 million.

An indictment merely alleges that crimes have been committed, and all defendants are presumed innocent until proven guilty beyond a reasonable doubt.

Today's announcement is the result of an ongoing federal antitrust investigation being conducted by the Antitrust Division's Washington Criminal II Office, the International Corruption Unit of the FBI, and the United States Postal Service Office of Inspector General. Anyone with information in connection with this investigation is urged to call the Washington Criminal II Section at 202-598-4000, or visit <https://www.justice.gov/atr/contact/newcase.html>.

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**Attachment(s):**

[Download Indictment](#)

**Topic(s):**

Antitrust

**Component(s):**

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