



Department of Justice

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SECOND OCEAN SHIPPING EXECUTIVE PLEADS GUILTY TO PRICE FIXING ON OCEAN SHIPPING SERVICES FOR CARS AND TRUCKS

Former Executive Sentenced to Serve 14 Months in U.S. Prison

WASHINGTON – A former executive of Japan-based Kawasaki Kisen Kaisha Ltd. (K-Line) pleaded guilty today and was sentenced to 14 months in a U.S. prison for his involvement in a conspiracy to fix prices, allocate customers and rig bids of international ocean shipping services for roll-on, roll-off cargo, such as cars and trucks, to and from the United States and elsewhere, the Department of Justice announced today.

According to the one-count felony charge filed in U.S. District Court for the District of Maryland in Baltimore on Dec. 29, 2014, Takashi Yamaguchi, who was a general manager and executive officer in K-Line's car carrier division, conspired to allocate customers and routes, rig bids and fix prices for the sale of international ocean shipments of roll-on, roll-off cargo to and from the United States and elsewhere, including the Port of Baltimore. Yamaguchi participated in the conspiracy from at least as early as July 2006 until at least April 2010.

Roll-on, roll-off cargo is non-containerized cargo that can be both rolled onto and off of an ocean-going vessel. Examples of this cargo include new and used cars and trucks and construction and agricultural equipment.

"Today's sentencing is another step in our efforts to hold executives accountable for raising the cost of shipping cars, trucks and other equipment to and from the United States," said Bill Baer, Assistant Attorney General for the Antitrust Division. "We will continue to pursue the corporations and executives whose illegal agreements have harmed American consumers."

Pursuant to the plea agreement, which was accepted by the court today, Yamaguchi was sentenced to serve a 14-month prison term and pay a \$20,000 criminal fine for his participation in the conspiracy. In addition, Yamaguchi has agreed to assist the department in its ongoing investigation into the ocean shipping industry.

Yamaguchi was charged with a violation of the Sherman Act, which carries a maximum sentence of 10 years in prison and a \$1 million criminal fine for an individual. The maximum fine 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 sentence is the second imposed against an individual in the division's ocean shipping investigation. Previously, three corporations have agreed to plead guilty and to pay criminal fines totaling more than \$136 million, including Yamaguchi's employer K-Line, which was sentenced to pay a criminal fine of \$67.7 million in November 2014. Another K-Line executive was sentenced one week ago by the court in Baltimore.

Today's plea agreement is the result of an ongoing federal antitrust investigation into price fixing, bid rigging and other anticompetitive conduct in the international roll-on, roll-off ocean shipping industry, which is being conducted by the Antitrust Division's Washington Criminal I Section and the FBI's Baltimore Field Office, along with assistance from the U.S. Customs and Border Protection Office of Internal Affairs, Washington Field Office/Special Investigations Unit. Anyone with information in connection with this investigation is urged to call the Antitrust Division's Washington Criminal I Section at 202-307-6694, visit www.justice.gov/atr/contact/newcase.html or call the FBI's Baltimore Field Office at 410-265-8080.

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