

UNITED STATES DISTRICT COURT
NORTHERN DISTRICT OF CALIFORNIA

Before The Honorable James Donato, Judge

UNITED STATES OF AMERICA,)	
)	
Plaintiff,)	
)	
VS.)	NO. CR 17-00073 JD
)	
MATSUO ELECTRIC COMPANY)	
LIMITED,)	
)	
Defendant.)	
_____)	

San Francisco, California
Wednesday, May 24, 2017

TRANSCRIPT OF PROCEEDINGS

APPEARANCES:

For Plaintiff:

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(APPEARANCES CONTINUED ON FOLLOWING PAGE)

REPORTED BY: Jo Ann Bryce, CSR No. 3321, RMR, CRR, FCRR
Official Reporter

1 **APPEARANCES:** (CONTINUED)

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7 **BY: BONNIE LAU**
ATTORNEY AT LAW

8 Also Present:

9 **Eri Minoura, Japanese Interpreter**
Yoshihiro Amitani, Matsuo
10 **Representative**
Koshi Yamaguchi, Matsuo Japanese
11 **Counsel**
Masami Oishi, Matsuo Japanese Counsel

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1 Wednesday - May 24, 2017

11:00.m.

2 P R O C E E D I N G S

3 ---000---

4 **THE CLERK:** Calling Criminal 17-73, United States of
5 America versus Matsuo Electric Company.

6 **MS. JAVANDEL:** Good morning, Your Honor. Pari
7 Javandel for the United States, and I'm joined by Howard
8 Parker.

9 **THE COURT:** Okay.

10 **MR. PARKER:** Good morning, Your Honor.

11 **MR. WOODS:** Good morning, Your Honor. Curtis Woods,
12 Bonnie Lau, and Stephen Libowsky on behalf of defendant
13 Matsuo Electric Company Limited; and the person is Yoshishiro
14 Amitani, representative for the company.

15 **THE COURT:** All right. Okay. Lisa, would you swear
16 everybody in? Is the interpreter sworn in?

17 **THE CLERK:** The interpreter has been sworn,
18 Your Honor.

19 **THE COURT:** All right. Ms. Clark, would you swear in
20 the witness -- the representative, please.

21 **THE CLERK:** Please raise your right hand.

22 (Defendant representative sworn through interpreter.)

23 **THE DEFENDANT:** (Through interpreter) Yes.

24 **THE COURT:** Now --

25 **MR. WOODS:** And, Your Honor, pardon me. I wanted to

1 introduce also our Japanese counsel, who is present in the
2 courtroom this morning. Koshi Yamaguchi and Masami Oishi.

3 **THE CLERK:** You're going to need to give the court
4 reporter spellings for that.

5 **MR. WOODS:** Okay.

6 **THE COURT:** After we're done, you can do that.

7 Okay. What are they? In-house lawyers or are they
8 something else? Mr. Libowsky?

9 **MR. WOODS:** Woods.

10 **THE COURT:** Woods. Are they in-house people or who
11 are they?

12 **MR. WOODS:** They're our Japanese counsel, outside
13 counsel in Japan, Osaka.

14 **THE COURT:** All right. Javandel; right?

15 **MS. JAVANDEL:** Javandel, yes.

16 **THE COURT:** Okay. Javandel.

17 All right. Now, Mr. Okubo was in a couple weeks ago and
18 he was the individual associated with this corporate defendant
19 Matsuo; right?

20 **MS. JAVANDEL:** Correct, Your Honor.

21 **THE COURT:** So he seemed to say that Matsuo had asked
22 him to do prison time in exchange for a lower corporate
23 sentence. Is that your recollection?

24 **MR. PARKER:** Just to put it more precisely,
25 Your Honor, the corporation provided assistance in facilitating

1 his cooperation in terms of providing him counsel and providing
2 him support in dealing with the Government, and he then pled
3 guilty. And that cooperation was helpful to the Government in
4 its timeliness, and the Government has recognized that
5 cooperation in terms of the disposition for the company.

6 **THE COURT:** Well, he said -- I'm not quoting, but he
7 strongly indicated, if not literally said, that he had been
8 asked by the company to take a prison sentence so that the
9 company Matsuo would get a lower corporate sentence. You don't
10 recall that?

11 **MR. PARKER:** I recall the subject. I don't recall
12 exactly how he expressed it.

13 **THE COURT:** Yeah. So I'm concerned about that. I
14 just don't like the idea of corporations hanging executives out
15 to dry in exchange for leniency, which appears to be the deal
16 here.

17 **MR. PARKER:** Well, from our perspective, that's not
18 what we think happened and what they were doing in terms of
19 their cooperation.

20 **THE COURT:** What did Matsuo do in terms of cooperate
21 with the Government that was different and distinct from what
22 Mr. Okubo did?

23 **MR. PARKER:** Well, on its -- Ms. Javandel, I think,
24 can describe the cooperation.

25 **THE COURT:** Either one of you is fine. But, you know,

1 you're telling me that Matsuo, once again, was singing like a
2 canary for the Government, but I don't see how -- what did they
3 do that's different from Mr. Okubo? He was the man who gave
4 all the information. I mean --

5 **MS. JAVANDEL:** Well, Your Honor, the company produced
6 to us a substantial number of documents. They also translated
7 those documents for us. In addition, they provided us with
8 numerous proffers that helped us advance our investigation.

9 And, furthermore --

10 **THE COURT:** Let me just jump in. Were these all
11 through Mr. Okubo or somebody else?

12 **MS. JAVANDEL:** No. These were through company
13 counsel, Your Honor.

14 **THE COURT:** Not through Mr. Okubo?

15 **MS. JAVANDEL:** No. These were proffers provided by
16 Matsuo counsel separate and apart from Mr. Okubo.

17 **THE COURT:** I mean, how helpful were they in light of
18 Mr. Okubo's statements?

19 **MS. JAVANDEL:** The cooperation and the assistance that
20 the company provided us was -- went beyond just the cooperation
21 of Mr. Okubo. They also provided us -- you know, they provided
22 us -- they made witnesses available to us other than Mr. Okubo.
23 Those witnesses offered testimony that the Government thought
24 was very helpful to advancing our investigation.

25 **THE COURT:** Well, you know my concern in these cases.

1 This is not the first time I have had you-all -- meaning you
2 literally but not your office. Mr. Parker has been here every
3 time, so, I mean, the punch line here is a 4-million-dollar
4 fine here; right?

5 **MS. JAVANDEL:** 4.17 million, yes.

6 **THE COURT:** It's not very much. Why is that
7 reasonable? Why do I -- I'll ask it slightly rhetorically, but
8 I think this is number three or four now, maybe number three,
9 in the string of what appear to be fairly minor monetary
10 penalties for a criminal conviction under the United States
11 antitrust laws. Why is this a reasonable thing for me to do?

12 I'm just --

13 **MS. JAVANDEL:** Well, Your Honor --

14 **THE COURT:** -- and I know -- I get the same
15 explanation every time however useful, but in this case it
16 seems to me Mr. Okubo is the man who provided the information,
17 not necessarily this company that he was associated with,
18 Matsuo.

19 **MS. JAVANDEL:** Well, Your Honor, first of all,
20 regarding the fine, Matsuo's relatively small fine is because
21 of their relatively small U.S. sales. That accounts for their
22 low volume of commerce. Matsuo was one of the smallest
23 corporate conspirators, and its worldwide market share for
24 tantalum electrolytic capacitors was only about 3 to 4 percent.

25 With regards to the company's cooperation, the company

1 offered far more cooperation than just, you know, assist --
2 than just, you know, giving Mr. Okubo, you know, the time off
3 that he needed in order to come here, you know, making him
4 available. That was all through Mr. Okubo -- you know, that
5 was separate and apart from the other witnesses that they made
6 available to us, the documents that they produced to us, and
7 the numerous proffers that they provided to us.

8 **THE COURT:** You told me last time that the last
9 company I did was also the lower-end volume player. I mean,
10 how many more of these small players am I going to see? When
11 are you going to get a big one? Huh? People at the center of
12 the conspiracy, when is that going to happen?

13 **MS. JAVANDEL:** Well, our investigation is ongoing,
14 Your Honor.

15 **THE COURT:** All this information you're getting is
16 leading up to that big -- the big reveal; right? Is that
17 right?

18 **MR. PARKER:** Your Honor, as a matter of overall
19 strategy, starting with the smaller companies and developing
20 cooperation from them against the larger companies is a way we
21 like to proceed. And there are I think -- there are other much
22 larger companies that are out -- that are out there, and we --
23 we are working -- we are working on that. We can't give a
24 timeline at this point.

25 **THE COURT:** Okay. Anything to add, Mr. Woods?

1 **MR. WOODS:** Well, Your Honor, in addition to what
2 Mr. Parker and Ms. Javandel told you, the company did, separate
3 and apart from Mr. Okubo, produce over 30,000 documents that we
4 translated for the Government.

5 We provided four key witnesses for their investigation for
6 personal interviews by the Justice Department. And, in
7 addition to that, we gave multiple attorney proffers for other
8 persons of interest providing other information for their
9 investigation well beyond what Mr. Okubo separately with his
10 separate independent counsel provided to the Government in his
11 separate proffers.

12 Mr. Okubo's involvement with the conspiracy as an employee
13 of Matsuo was for a rather limited period because he had worked
14 for another capacitor manufacturer for many, many years before
15 he came and became one of our employees; and so, therefore, the
16 information we provided to the Government with respect to the
17 entire conspiracy period was provided by other people in the
18 company separate and apart from Mr. Okubo, who was only
19 involved in the conspiracy period as a Matsuo employee for a
20 portion of that period.

21 So our cooperation exceeded well beyond what Mr. Okubo
22 could provide with respect to Matsuo's involvement, and what
23 Mr. Okubo provided to the Government with respect to his
24 involvement while an employee of another capacitor manufacturer
25 was separate and apart from anything that we could have given.

1 And so our cooperation well exceeded what Mr. Okubo could
2 have provided them with respect to Matsuo's involvement.

3 **THE COURT:** You're telling me it was nonduplicative
4 cooperation?

5 **MR. WOODS:** Absolutely, Your Honor.

6 Well, it might have been duplicative to a certain extent
7 for the period Mr. Okubo was employed. These other witnesses
8 that we provided the Government provided information, but those
9 other witnesses provided information for a period of time of
10 Matsuo's involvement in the conspiracy that Mr. Okubo could not
11 have provided.

12 **THE COURT:** Now, why does this have to be a five-year
13 payment? This is a small fee for a corporation. It just is.
14 It's \$4 million.

15 Now, for you and me and everybody else, it may or may not
16 be a large amount; but for a corporation, I don't understand
17 why this is a five-year payment plan. Why is that necessary?

18 **MS. JAVANDEL:** Well, Your Honor, you know, in plea
19 discussions, we considered Matsuo's financial conditions,
20 including that they're facing fines by foreign competition
21 authorities, and we agreed that in the interest of justice,
22 there was a basis to spread payment of their fine over a
23 five-year time period to be paid in six equal installments with
24 interest.

25 **THE COURT:** Oh, it's a six-year payment plan?

1 **MR. WOODS:** Six payments.

2 **MS. JAVANDEL:** Six payments over five years,
3 Your Honor.

4 **THE COURT:** They're going to pay interest on that?

5 **MS. JAVANDEL:** They're paying interest on that, yes,
6 Your Honor.

7 **THE COURT:** What happens if they miss a payment?

8 **MS. JAVANDEL:** Your Honor, I think that at that point
9 we would have to reevaluate their financial situation, but
10 hopefully before that -- it comes to that, counsel would speak
11 to -- you know, bring this -- the financial difficulties, or
12 the potential thereof, to the Government's attention.

13 **THE COURT:** I have to say I'm not particularly
14 sympathetic that they have a number of fines to pay, and so
15 they should get a payment plan. You break the law, you pay the
16 fines. So why is that a factor that counts in favor of this
17 extended program of payments?

18 **MS. JAVANDEL:** Well, Your Honor, in our plea
19 discussions, counsel, you know, also spoke, beyond the fines
20 that they're facing by the foreign competition authorities, to
21 their current financial situation, and that was one of the
22 factors that we also considered.

23 **THE COURT:** That's not an answer to my question.

24 **MR. PARKER:** Apart from what they face in other
25 jurisdictions, just setting that completely aside, their

1 current financial condition, which I think they are prepared to
2 address if the Court would like to hear from them, warrants the
3 payment plan.

4 **THE COURT:** Mr. Woods?

5 **MR. WOODS:** Your Honor, Mr. Libowsky, my colleague, is
6 knowledgeable about the company's past and current and future
7 expectations with respect to their financial conditions.

8 **THE COURT:** All right. Let's hear it.

9 **MR. WOODS:** He can answer any of your questions with
10 detail.

11 **MR. LIBOWSKY:** Good morning, Your Honor. For the
12 record, Stephen Libowsky from Dentons also on behalf of Matsuo.

13 Your Honor, the current sales of the company in U.S.
14 dollars in the most recent financial year, which ended
15 March 31st, 2017, were \$40.4 million total yearly sales
16 worldwide. Last year in the United States those sales were
17 about \$815,000.

18 The company's operating revenue last year resulted in an
19 operational loss of \$2.9 million and a total loss, including
20 all other expenses, of \$10.9 million.

21 The company has been losing money for the last three --

22 **THE COURT:** Let me ask something. Who figured all
23 this out? Is this from an auditor or is this work you-all did?

24 **MR. LIBOWSKY:** Yes, Your Honor, the company does have
25 audited financials, which we have shared with the Government.

1 At least over the last five years of audited financials they
2 have had a financial expert look at all of their records and
3 all of the things that were provided. We provided everything
4 the Government asked for.

5 And the company right now is operating at a loss, has been
6 operating at a loss, and they're doing everything they can to
7 kind of turn it around; but they're losing money and eating
8 into their shareholders' equity, and that's how they're
9 surviving right now.

10 **THE COURT:** How did you come up with \$695,000?

11 **MR. LIBOWSKY:** Your Honor, the \$695,000 per year was
12 simply the arithmetic of the agreed-upon fine amount, which I
13 believe was \$4.17 million divided by the six payments, one
14 right now and a payment on each of the five anniversaries
15 thereafter. So it was simply the division of 4.17 million
16 divided by 6.

17 **THE COURT:** Ms. Javandel, did you have that person
18 look at -- I can't remember his name. Who was that evaluation
19 expert?

20 **MS. JAVANDEL:** No, Your Honor. It was not Dale
21 Zuehls.

22 **THE COURT:** Sorry?

23 **MS. JAVANDEL:** It was not Dale Zuehls that evaluated
24 the numbers. It was a DOJ economist.

25 **THE COURT:** So some economist looked at those numbers?

1 **MS. JAVANDEL:** Yes, Your Honor. Our economist
2 reviewed the numbers.

3 **THE COURT:** And you're satisfied they're reliable?

4 **MS. JAVANDEL:** Yes, Your Honor.

5 **THE COURT:** You-all say in the sentencing memo that
6 Matsuo had \$730 million in sales between 2001 and 2014; is that
7 right?

8 **MS. JAVANDEL:** Worldwide sales, yes, Your Honor.

9 **THE COURT:** And only 20.3 million of that
10 731-million-dollar figure is for sales in the United States?

11 **MS. JAVANDEL:** Correct, Your Honor.

12 **THE COURT:** For that entire time period?

13 **MS. JAVANDEL:** Correct, Your Honor, from November 2001
14 through January 2014.

15 **THE COURT:** All right. Any last words on why I should
16 do this?

17 **MS. JAVANDEL:** No, Your Honor.

18 As we described under seal, the Government is still
19 pursuing other corporations and individuals; and, you know, we
20 do ask that you accept this deal because Matsuo's cooperation,
21 in the Government's opinion, is incredibly valuable, again,
22 separate and apart from what Mr. Okubo has offered, and unique
23 as well. And we feel that, you know, their cooperation is
24 needed to bring the remaining individuals and companies, you
25 know, to justice.

1 **THE COURT:** Let me ask you a question. What would
2 happen if I decline this?

3 **MS. JAVANDEL:** You know, Your Honor, at this point
4 this is the -- this is the agreement that Matsuo -- you know,
5 this is the deal that Matsuo has agreed to. I'm not sure and
6 unfortunately can't promise that if we have to return back to
7 the office and renegotiate this deal, that we could come up,
8 you know --

9 **THE COURT:** You don't need a deal. Go to trial.
10 Isn't that the next step?

11 **MS. JAVANDEL:** Yes, Your Honor. Yes.

12 **THE COURT:** Say that with enthusiasm.

13 **MS. JAVANDEL:** Yes.

14 **THE COURT:** That's what you're here for, to try these
15 cases.

16 Mr. Woods, why should I take this deal?

17 **MR. WOODS:** Well, Your Honor, the company wants to
18 tell you of its admission of guilt and its willingness to
19 cooperate with the Government from this point onward and to
20 continue what they've done in the past two years to assist the
21 Government in bringing to justice the other players in the
22 conspiracy.

23 I think that's part of the Japanese culture. They want to
24 help and they want to move forward, correct what they've done
25 in the past and make sure it never is done in the future.

1 With respect to the particulars of the Plea Agreement,
2 specifically the fine and the payment plan, it is, we believe,
3 essential for the Government to give the leeway and the Court
4 to give the leeway to Matsuo to make those payments over time
5 so that the payments can be made.

6 To the extent of its financial -- current financial
7 condition, it would be very difficult, if not impossible, for
8 them to make the full payment of the agreed-upon fine now as
9 opposed to over the next five years.

10 The amount of the fine itself is substantial in light of
11 the company's involvement in the conspiracy over the conspiracy
12 period, the amount of sales that they had that are subject to
13 U.S. jurisdiction during that period of time, and
14 substantial --

15 **THE COURT:** I don't know if my bankruptcy colleagues
16 on the 16th floor would be that excited about a payment plan.
17 You-all are telling me this is on the knife's edge of financial
18 viability, and then I'm supposed to sign off on a criminal
19 penalty that's premised on a 60-month payment plan. Why does
20 that make sense? Why are they taking the hit now?

21 They shouldn't have broken the law. Whether they have
22 trouble meeting the payment or not is their problem, not the
23 criminal system's problem.

24 **MR. WOODS:** We understand that, Your Honor.

25 **THE COURT:** So why am I giving them this sweetheart

1 deal of a five-year payment plan, which is being presented to
2 me because they're about to go out of business?

3 That doesn't make any sense to me. They can't afford
4 X,Y & Z. They can't afford all the criminal fines they've
5 racked up. It seems to me like I'm shortchanging the United
6 States.

7 **MR. WOODS:** Your Honor --

8 **THE COURT:** Why should we take the risk?

9 **MR. WOODS:** Well, with due respect, Your Honor, the
10 shortchanging the United States would be more likely if the
11 Plea Agreement is not accepted by Your Honor.

12 **THE COURT:** I don't think that's true at all. We go
13 to trial and depending what happens, they might get a
14 conviction and that would result in an immediate criminal
15 penalty to be due and paid that day.

16 **MR. WOODS:** Understood, and that would most likely --

17 **THE COURT:** That's probably going to be a
18 significantly larger payment than \$695,000 in year one.

19 **MR. WOODS:** Your Honor, I understand that. Making
20 full --

21 **THE COURT:** Why should I bet on the ability of this
22 company to honor their Plea Agreement when everyone on your
23 side of the table keeps telling me that they can't afford it?

24 **MR. WOODS:** Because they're going to make every effort
25 to make sure that that fine is paid, and the best way to ensure

1 that the United States receives the full fine is to accept the
2 payment plan, and going to trial and facing a stiffer penalty
3 would most likely put the company into immediate bankruptcy and
4 that, too, would shortchange the United States.

5 **THE COURT:** All right. Anything else?

6 **MR. WOODS:** Your Honor, I would just -- I would also
7 emphasize that the goal of the antitrust laws and the
8 Department of Justice's prosecution of the antitrust laws is
9 not to put companies out of business and lessen competition in
10 an industry.

11 To the extent that a stiffer fine or trial exposing them
12 to a greater fine would cause them financial hardship to the
13 point to where they'd have to go under and declare bankruptcy
14 under Japanese laws would not benefit competition in the
15 capacitor industry here and globally.

16 **THE COURT:** Well, you are employing the concept of
17 restorative justice as well. They've broken the law and they
18 need to face the penalty for that.

19 **MR. WOODS:** We're willing to do that.

20 **THE COURT:** Now, I have people coming in this
21 courtroom every day on my criminal calendar --

22 **MR. WOODS:** I understand.

23 **THE COURT:** -- who do not get these kinds of breaks.
24 They are not corporations. They are men and sometimes women
25 who have been caught up in cultures of violence and addiction,

1 and they do not get these kinds of indulgences and breaks; and
2 I am becoming very reluctant to keep betting on these companies
3 to honor their Plea Agreements when it's presented to me as a
4 take-it-or-leave-it deal, and if you don't take it, you're not
5 going to get a penny. It doesn't make any sense to me.

6 So we're going to take a ten-minute break, and I'll see
7 you in ten minutes.

8 (Recess taken at 11:23 a.m.)

9 (Proceedings resumed at 11:33 a.m.)

10 **THE CLERK:** Okay. We're back on the record in
11 Criminal 17-73, United States of America versus Matsuo Electric
12 Company Limited.

13 Counsel?

14 **THE COURT:** All right. I am not satisfied that I have
15 enough information about the proposed payment plan.

16 Now, 18 United States Code, Section 3572, specifically
17 addresses the imposition of a fine in criminal cases. And
18 Section (a) says (reading):

19 "In determining whether to impose a fine and the
20 amount, time for payment, and method of payment of a fine,
21 the Court will consider, in addition to the factors set
22 forth in Section 3553(a)..."

23 And then there's a list of eight of these factors. I
24 didn't see any of that in the materials that I got from either
25 side.

1 Fact one, for example, is details about the defendant's
2 financial resources; factor two is the burden -- you know,
3 evidence about the burden the fine will impose; and it goes on
4 from there.

5 So I'm not ruling out, of course, the possibility that the
6 695,000 spread over six payments is the right outcome, but I
7 don't have enough information to make that determination. So
8 I'm going to decline to take the plea or impose the sentence
9 today. You-all work out a schedule to get this back to me.

10 Now, this is different from -- let me get this guy's
11 name -- doctor's name right. Zuehls? Is it Zuehls?

12 **MR. PARKER:** Dale Zuehls.

13 **THE COURT:** This is different from what Mr. Zuehls did
14 last time. This is not an issue of inability to pay. This is
15 an issue on timing and due dates and the amount of the payment
16 over the program says five years. That's what I want to see
17 evidence of. All right? I don't have that in front of me now,
18 and I'm not going to go forward until I'm satisfied that has an
19 evidentiary basis in the record.

20 I appreciate everyone's representations, but I need to see
21 the facts.

22 **MR. WOODS:** Your Honor, we appreciate your
23 consideration, and we will provide you the information that the
24 statute requires and that you need to make a studied judgment.

25 **THE COURT:** All right. Now, when do you want to come

1 back and do this? Do you want to talk and then just send me
2 something, or do you want to set a date now?

3 **MR. WOODS:** We'll talk.

4 **MS. JAVANDEL:** We'll talk and --

5 **THE COURT:** All right. Why don't you let me know a
6 week from today how you want to structure this. All right?

7 Now, I'm not necessarily asking or requiring for in-person
8 testimony. If you want to do it by declarations, that's fine,
9 but make sure they give me what I need based on what we've
10 talked about this morning -- you should know what that is -- to
11 go forward. All right?

12 And I want to see some response from the Government that
13 these numbers were vetted, verified, and I can count on them
14 from the Government's perspective. All right?

15 **MS. JAVANDEL:** Yes, Your Honor.

16 **THE COURT:** All right. Okay. All right. Thank you
17 very much.

18 **MR. WOODS:** Thank you, Your Honor.

19 **MR. LIBOWSKY:** Your Honor, one point on this.

20 **THE COURT:** Yes.

21 **MR. LIBOWSKY:** We are happy to give you any and all
22 the financial records that you would like to see.

23 **THE COURT:** Well, let me just jump in.

24 Don't do that.

25 **MR. LIBOWSKY:** Okay.

1 **THE COURT:** I'm a United States District Judge. I am
2 not an Arthur Andersen -- no longer exists -- whatever the
3 current accounting firms are. Okay? You give it to me in the
4 form I can understand. Don't give me 800 pages of spreadsheets
5 part of which has Japanese narrative. That doesn't help me.

6 Now, if I can't -- if you don't give me what I need, it's
7 going to count against you because the default isn't I'll just
8 go your way. The default is no deal. So you do what you would
9 like to see personally in a way that makes sense to you, give
10 it to me in that form. Your burden of persuasion is on you.

11 **MR. LIBOWSKY:** We understand.

12 **THE COURT:** Now, if I get a mass of data I can't make
13 heads or tails out of, you're going to lose.

14 **MR. LIBOWSKY:** Understood, Your Honor.

15 **THE COURT:** So I don't want to see a catalog of the
16 financial data. I want it packaged in a way that addresses the
17 3572 factors in a clear and intelligible manner. All right?

18 **MR. LIBOWSKY:** Understood, Your Honor. The reason for
19 my prefacing that is some of this will need to be filed under
20 seal.

21 **THE COURT:** That's fine. That's not a problem. We do
22 it all the time in these cases.

23 All right. Thank you.

24 **MR. WOODS:** Thank you for your time, Your Honor.

25 (Proceedings adjourned at 11:38 a.m.)

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CERTIFICATE OF REPORTER

I certify that the foregoing is a correct transcript
from the record of proceedings in the above-entitled matter.

DATE: Friday, May 26, 2017



Jo Ann Bryce, CSR No. 3321, RMR, CRR, FCRR
U.S. Court Reporter