

United States District Court

FOR THE
NORTHERN DISTRICT OF CALIFORNIA

VENUE: SAN FRANCISCO

FILED
2011 NOV 30 A 9:52
RICHARD W. WIERKING
CLERK, U.S. DISTRICT COURT
NORTHERN DISTRICT OF CALIFORNIA

UNITED STATES OF AMERICA,

v.

CR11-0488 RS

EAGLE EYES TRAFFIC INDUSTRIAL CO.,
LTD.; E-LITE AUTOMOTIVE, INC.; HOMY
HONG-MING HSU and YU-CHU LIN, aka
David Lin

E-filing

DEFENDANT(S).

INDICTMENT

Title 15 U.S.C. Section 1 (Price Fixing)

A true bill.

[Signature]
Foreman

Filed in open court this 29th day of

November 2011

[Signature] KAREN L. HOM
JOSEPH C. SPERO Clerk
UNITED STATES MAGISTRATE JUDGE

Bail, \$ no bond rest warrant for Yu-Chu Lin only
summons for all other defendants.

AO 257 (Rev. 6/78)

DEFENDANT INFORMATION RELATIVE TO A CRIMINAL ACTION - IN U.S. DISTRICT COURT

BY: COMPLAINT INFORMATION INDICTMENT
 SUPERSEDING

Name of District Court, and/or Judge/Magistrate Location
NORTHERN DISTRICT OF CALIFORNIA
SAN FRANCISCO DIVISION

OFFENSE CHARGED
Count 1: 15 U.S.C. Section 1 - Price Fixing
 Petty
 Minor
 Misdemeanor
 Felony

PENALTY: See Attachment

E-filing

DEFENDANT - U.S.
▶ **E-LITE AUTOMOTIVE, INC.**
DISTRICT COURT NUMBER
OR 11-0488 RS

FILED
2011 NOV 30 A 9:35
RICHARD W. WILKINSON
CLERK U.S. DISTRICT COURT
NORTHERN DISTRICT OF CALIFORNIA

PROCEEDING
Name of Complainant Agency, or Person (& Title, if any)

 person is awaiting trial in another Federal or State Court, give name of court

 this person/proceeding is transferred from another district per (circle one) FRCrp 20, 21, or 40. Show District

 this is a re prosecution of charges previously dismissed which were dismissed on motion of:
 U.S. ATTORNEY DEFENSE } **SHOW DOCKET NO.**

 this prosecution relates to a pending case involving this same defendant

MAGISTRATE CASE NO.

 prior proceedings or appearance(s) before U.S. Magistrate regarding this defendant were recorded under
_____ }

DEFENDANT
IS NOT IN CUSTODY
Has not been arrested, pending outcome this proceeding.
1) If not detained give date any prior summons was served on above charges ▶ _____
2) Is a Fugitive
3) Is on Bail or Release from (show District)

IS IN CUSTODY
4) On this charge
5) On another conviction } Federal State
6) Awaiting trial on other charges
If answer to (6) is "Yes", show name of institution

Has detainer been filed? Yes } If "Yes" give date filed
 No } _____
DATE OF ARREST ▶ _____ Month/Day/Year
Or... if Arresting Agency & Warrant were not
DATE TRANSFERRED TO U.S. CUSTODY ▶ _____ Month/Day/Year

This report amends AO 257 previously submitted

Name and Office of Person Furnishing Information on this form Brian Stretch
 U.S. Attorney Other U.S. Agency

Name of Assistant U.S. Attorney (if assigned) Jacklin Chou Lem, Trial Attorney

ADDITIONAL INFORMATION OR COMMENTS

PROCESS:
 SUMMONS NO PROCESS* WARRANT
Bail Amount: _____
If Summons, complete following:
 Arraignment Initial Appearance
* Where defendant previously apprehended on complaint, no new summons or warrant needed, since Magistrate has scheduled arraignment
Defendant Address: _____
See a Separate Sheet _____ Date/Time: _____ Before Judge: _____
Comments: _____

PENALTY SHEET

Companies: E-LITE AUTOMOTIVE, INC.

Maximum Penalties: (For Each Count):

1. A fine in an amount equal to the largest of:
 - A. \$100 Million.
 - B. Twice the gross pecuniary gain derived from the crime.
 - C. Twice the gross pecuniary loss caused to the victims of the crime.
2. A term probation of at least one year but not more than five years.
3. \$400 special assessment for each count.
4. Restitution.

AO 257 (Rev. 6/78)

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BY: COMPLAINT INFORMATION INDICTMENT
 SUPERSEDING

OFFENSE CHARGED

Count 1: 15 U.S.C. Section 1 - Price Fixing

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PENALTY: See Attachment

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Name of District Court, and/or Judge/Magistrate Location

NORTHERN DISTRICT OF CALIFORNIA
SAN FRANCISCO DIVISION

DEFENDANT - U.S.

EAGLE EYES TRAFFIC INDUSTRIAL CO. LTD.

DISTRICT COURT NUMBER

CR 11-0488-RS

FILED
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 U.S. DISTRICT COURT
 SAN FRANCISCO, CALIFORNIA

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PROCESS:

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If Summons, complete following:

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* Where defendant previously apprehended on complaint, no new summons or warrant needed, since Magistrate has scheduled arraignment

Defendant Address:

See a Separate Sheet

Date/Time: _____ Before Judge: _____

Comments:

PENALTY SHEET

Companies: EAGLE EYES TRAFFIC INDUSTRIAL CO., LTD;

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 - C. Twice the gross pecuniary loss caused to the victims of the crime.
2. A term probation of at least one year but not more than five years.
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- Petty
 Minor
 Misdemeanor
 Felony

PENALTY: See Attachment

E-filing

Name of District Court, and/or Judge/Magistrate Location

NORTHERN DISTRICT OF CALIFORNIA
SAN FRANCISCO DIVISION

DEFENDANT - U.S.

HOMY HONG-MING HSU

DISTRICT COURT NUMBER

CR 11-0488 RS

FILED
NOV 30 4 35
U.S. DISTRICT COURT
SAN FRANCISCO, CALIF.

PROCEEDING

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This report amends AO 257 previously submitted

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PROCESS:

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Arraignment Initial Appearance

Defendant Address:

See a Separate Sheet

Comments:

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IS IN CUSTODY

- 4) On this charge
5) On another conviction } Federal State
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If answer to (6) is "Yes", show name of institution

Has detainer been filed? Yes No

If "Yes" give date filed

DATE OF ARREST

Month/Day/Year

Or... if Arresting Agency & Warrant were not

DATE TRANSFERRED TO U.S. CUSTODY

Month/Day/Year

PENALTY SHEET

Individuals: Homy Hong-Ming Hsu

Maximum Penalties:

1. A fine in an amount equal to the largest of:
 - A. \$1,000,000.00.
 - B. Twice the gross pecuniary gain derived from the crime.
 - C. Twice the gross pecuniary loss caused to the victims of the crime.
2. A term of imprisonment for ten years.
3. A term of supervised release of at least two years but not more than three years.
4. \$100 special assessment.
5. Restitution.

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BY: COMPLAINT INFORMATION INDICTMENT
 SUPERSEDING

OFFENSE CHARGED
Count 1: 15 U.S.C. Section 1 - Price Fixing
 Petty
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PENALTY: See Attachment
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Name of District Court, and/or Judge/Magistrate Location
NORTHERN DISTRICT OF CALIFORNIA
SAN FRANCISCO DIVISION

DEFENDANT - U.S.
YU-CHU LIN, aka David Lin
DISTRICT COURT NUMBER
CR 11-0488 RS

PROCEEDING
Name of Complainant Agency, or Person (& Title, if any)
 person is awaiting trial in another Federal or State Court, give name of court
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U.S. DISTRICT COURT
SAN FRANCISCO
CLERK OF COURT
NORTHERN DISTRICT OF CALIFORNIA

Name and Office of Person Furnishing Information on this form Brian J. Stretch
 U.S. Attorney Other U.S. Agency

Name of Assistant U.S. Attorney (if assigned) Jacklin Chou Lem, Trial Attorney

This report amends AO 257 previously submitted

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If Summons, complete following:
 Arraignment Initial Appearance
Defendant Address: _____
See a Separate Sheet _____ Date/Time: _____ Before Judge: _____
Comments: _____
* Where defendant previously apprehended on complaint, no new summons or warrant needed, since Magistrate has scheduled arraignment

PENALTY SHEET

Individuals: Yu-Chu Lin, aka David Lin

Maximum Penalties:

1. A fine in an amount equal to the largest of:
 - A. \$1,000,000.00.
 - B. Twice the gross pecuniary gain derived from the crime.
 - C. Twice the gross pecuniary loss caused to the victims of the crime.
2. A term of imprisonment for ten years.
3. A term of supervised release of at least two years but not more than three years.
4. \$100 special assessment.
5. Restitution.

1 JACKLIN CHOU LEM (CA Bar No. 255293)
MAY LEE HEYE (CA Bar No. 209366)
2 HOWARD J. PARKER (WA Bar No. 7233)
KELSEY C. LINNETT (CA Bar No. 274547)
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U.S. Department of Justice
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5 San Francisco, CA 94102
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FILED
2011 NOV 30 A 9:34
RICHARD W. WIEKING
CLERK, U.S. DISTRICT COURT
NORTHERN DISTRICT OF CALIFORNIA

E-filing

8 Attorneys for the United States

9
10 UNITED STATES DISTRICT COURT
11 NORTHERN DISTRICT OF CALIFORNIA
12 SAN FRANCISCO DIVISION

13 UNITED STATES OF AMERICA

No. CR 11- 0488 RS

14 v.

15 EAGLE EYES TRAFFIC INDUSTRIAL CO., LTD.;
16 E-LITE AUTOMOTIVE, INC.;
17 HOMOY HONG-MING HSU; and
YU-CHU LIN, aka David Lin,

**SUPERSEDING
INDICTMENT**

VIOLATION:
Title 15, United States Code,
Section 1 (Price Fixing)

18
19 Defendants.

San Francisco Venue

20
21 The Grand Jury charges:

22 I.

23 DESCRIPTION OF THE OFFENSE

24 1. The following corporations and individuals are hereby indicted and made
25 defendants on the charge stated below:

26 (a) EAGLE EYES TRAFFIC INDUSTRIAL CO., LTD.;

27 (b) E-LITE AUTOMOTIVE, INC.;

28 //

1 (c) HOMY HONG-MING HSU; and

2 (d) YU-CHU LIN.

3 2. The defendants and other coconspirators entered into and engaged in a
4 combination and conspiracy to suppress and eliminate competition for aftermarket auto lights,
5 which began at least as early as July 2001 and continued until at least as late as September
6 2008, the exact dates being unknown to the Grand Jury (“the period covered by this
7 Indictment”), by agreeing to fix the prices of aftermarket auto lights sold to customers in the
8 United States and elsewhere. The combination and conspiracy engaged in by the defendants
9 and other coconspirators was in unreasonable restraint of interstate and foreign trade and
10 commerce in violation of Section 1 of the Sherman Act (15 U.S.C. § 1).

11 3. The charged combination and conspiracy consisted of a continuing agreement,
12 understanding, and concert of action among the defendants and other coconspirators, the
13 substantial terms of which were to agree to fix the prices of aftermarket auto lights in the
14 United States and elsewhere.

15 4. For the purpose of forming and carrying out the charged combination and
16 conspiracy, the defendants and other coconspirators did those things that they combined and
17 conspired to do, including, among other things:

- 18 (a) participated in meetings, conversations, and communications among
19 competitors in Taiwan and the United States to discuss the price
20 structure for aftermarket auto lights;
- 21 (b) agreed, during those meetings, conversations, and communications, to
22 set prices for aftermarket auto lights in accordance with pricing
23 formulas jointly determined among competitors;
- 24 (c) issued list price announcements to customers in accordance with the
25 jointly determined price structure;
- 26 (d) collected and exchanged information on prices of aftermarket auto
27 lights for the purpose of monitoring and enforcing adherence to the
28 jointly determined price structure;

- 1 (e) authorized, ordered, and consented to the participation of subordinate
2 employees in the conspiracy; and
- 3 (f) took steps to conceal the conspiracy and conspiratorial contacts,
4 conversations, and communications through various means.

5 II.

6 DEFENDANTS AND COCONSPIRATORS

7 5. During the period covered by this Indictment, defendant EAGLE EYES
8 TRAFFIC INDUSTRIAL CO., LTD. was an incorporated entity organized and existing under
9 the laws of Taiwan. Since at least July 2003, its principal place of business has been located
10 in Yongkang City, Tainan County, Taiwan. Defendant EAGLE EYES TRAFFIC
11 INDUSTRIAL CO., LTD. joined and participated in the conspiracy from at least as early as
12 July 2001 and continuing at least until in or about September 2008. During the period covered
13 by this Indictment, EAGLE EYES TRAFFIC INDUSTRIAL CO., LTD. was a manufacturer
14 of aftermarket auto lights sold in the United States and elsewhere.

15 6. Within the period covered by this Indictment, defendant E-LITE
16 AUTOMOTIVE, INC. was an incorporated entity organized and existing under the laws of the
17 State of California with its principal place of business located in Chino, California.
18 Defendant E-LITE AUTOMOTIVE, INC. joined and participated in the conspiracy from in or
19 about March 2006 and continuing at least until in or about September 2008. Within the period
20 covered by this Indictment, E-LITE AUTOMOTIVE, INC. distributed aftermarket auto lights
21 to customers located in the United States.

22 7. Defendant HOMOY HONG-MING HSU is a resident of Taiwan. During the
23 period covered by this Indictment, defendant HOMOY HONG-MING HSU was Vice Chairman
24 of defendant EAGLE EYES TRAFFIC INDUSTRIAL CO., LTD. Defendant HOMOY HONG-
25 MING HSU joined and participated in the conspiracy from at least as early as November 2001
26 and continuing at least until in or about September 2008.

27 8. Defendant YU-CHU LIN is a resident of Taiwan. During the period covered
28 by this Indictment, defendant YU-CHU LIN was Chairman of defendant EAGLE EYES

1 TRAFFIC INDUSTRIAL CO., LTD. Defendant YU-CHU LIN joined and participated in the
2 conspiracy from at least as early as July 2001 and continuing at least until in or about
3 September 2008.

4 9. Various corporations and individuals not made defendants in this Indictment
5 participated as coconspirators in the offense charged in this Indictment and performed acts and
6 made statements in furtherance of it.

7 10. Whenever in this Indictment reference is made to any act, deed, or transaction
8 of any corporation, the allegation means that the corporation engaged in the act, deed, or
9 transaction by or through its officers, directors, employees, agents, or other representatives
10 while they were actively engaged in the management, direction, control, or transaction of its
11 business or affairs.

12 III.

13 TRADE AND COMMERCE

14 11. Aftermarket auto lights are lighting components incorporated into an
15 automobile after its original sale, usually as repairs following a collision, but also as
16 accessories and upgrades. Lighting components include items such as headlights, taillights,
17 fog lights, turn signals, brake signals, and reflectors.

18 12. During the period covered by this Indictment, the defendants and their
19 coconspirators sold and distributed aftermarket auto lights in a continuous and uninterrupted
20 flow of interstate and foreign trade and commerce to customers located in states or countries
21 other than the states or countries in which the defendants and their coconspirators produced
22 aftermarket auto lights.

23 13. During the period covered by this Indictment, the business activities of the
24 defendants and their coconspirators that are the subject of this Indictment were within the flow
25 of, and substantially affected, interstate and foreign trade and commerce.

26 //

27 //

28 //

IV.

JURISDICTION AND VENUE

14. The combination and conspiracy charged in this Indictment was carried out, in part, in the Northern District of California, within the five years preceding the filing of this Indictment.

ALL IN VIOLATION OF TITLE 15, UNITED STATES CODE, SECTION 1.

DATED:

November 29, 2011

A TRUE BILL

[Signature]
FOREPERSON

[Signature]
Sharis A. Pozen
Acting Assistant Attorney General

[Signature]
Phillip H. Warren
Chief, San Francisco Office

[Signature]
Scott D. Hammond
Deputy Assistant Attorney General

[Signature]
Peter K. Huston
Assistant Chief, San Francisco Office

[Signature]
John F. Terzaken
Director of Criminal Enforcement

[Signature]
Jacklin Chou Lem
May Lee Heye
Howard J. Parker
Kelsey C. Linnett
Attorneys
U.S. Department of Justice
Antitrust Division
450 Golden Gate Avenue
Box 36046, Room 10-0101
San Francisco, CA 94102
(415) 436-6660

United States Department of Justice
Antitrust Division

[Signature]
Brian J. Stretch
Attorney for the United States
Acting Under Authority Conferred by 28 U.S.C. § 515
Northern District of California