



Portfolio Media, Inc. | 111 West 19th Street, 5th floor | New York, NY 10011 | www.law360.com
Phone: +1 646 783 7100 | Fax: +1 646 783 7161 | customerservice@law360.com

Judge Gives Final Nod To \$125M In Auto Parts MDL Deals

By **Eric Kroh**

Law360, Fort Wayne (November 28, 2016, 7:37 PM EST) -- A Michigan federal judge on Monday granted final approval to a slew of agreements that will see car parts manufacturers pay about \$125 million in total to settle price-fixing allegations by dealerships.

U.S. District Judge Marianne O. Battani, who is overseeing the sprawling multidistrict litigation, said in her order that the agreements, reached in litigation covering various individual auto parts, were fair, adequate and reasonable.

"The settlements reflect both the strengths of the auto dealers' claims and the risk that the settling defendants may prevail on some or all of their defenses," Judge Battani said.

Among the companies involved in the agreements are Denso Corp., Sumitomo Electric Industries Ltd. and Mitsubishi Electric Corp. The settlements cover litigation over car parts such as air conditioning systems, wire harnesses and heater control panels.

The cases are part of a sprawling MDL that followed the U.S. Department of Justice's launch of an ongoing investigation into the auto parts industry. The government alleges that the manufacturers, marketers and sellers of the parts conspired to raise prices they charged automakers. So far, the investigation has led to approximately \$2.4 billion in criminal fines paid to the U.S. Department of Justice.

The price-fixing affected dozens of products that were sold to some of the largest automobile manufacturers in the U.S., including General Motors, Chrysler and Ford, according to the government.

A number of direct purchasers, dealerships and vehicle buyers subsequently brought lawsuits against companies named in the investigation. The lawsuits accuse 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.

This summer, Judge Battani granted **final approval** to \$225 million in settlements between auto parts end payors and companies including Nippon Seiki Co. Ltd., Panasonic Corp., Hitachi Automotive Systems Ltd. and Sumitomo.

In September, the judge gave her **initial OK** to agreements that will see Aisin Seiki Co., Schaeffler Group USA Inc. and Valeo Inc., among others, pay some \$44 million to settle price-fixing allegations by end payors.

The dealership plaintiffs are represented by Mantese Honigman PC, Cuneo, Gilbert & Laduca LLP, Barrett Law Group PA and Larson King LLP, among others firms.

The auto parts manufacturers are represented by Latham & Watkins LLP, Morrison & Foerster LLP, Wilmer Culter Pickering Hale and Dorr LLP, O'Melveny & Myers LLP, Lane Powell PC and others.

The case is In re: Automotive Parts Antitrust Litigation, case number 2:12-md-02311, in the U.S.

District Court for the Eastern District of Michigan.

--Editing by Kelly Duncan.

All Content © 2003-2016, Portfolio Media, Inc.