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7 *Interim Co-Lead Counsel for Indirect Purchaser Plaintiffs*

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 10 **UNITED STATES DISTRICT COURT**  
 11 **NORTHERN DISTRICT OF CALIFORNIA**  
 12 **SAN FRANCISCO DIVISION**  
 13

14 IN RE: CAPACITORS ANTITRUST  
LITIGATION

MASTER FILE NO. 14-cv-03264-JD

15 This Document Relates to:  
 16 ALL INDIRECT PURCHASER ACTIONS  
 17

**DECLARATION OF STEVEN N.  
 WILLIAMS IN SUPPORT OF INDIRECT  
 PURCHASER PLAINTIFFS' MOTION  
 FOR PRELIMINARY APPROVAL OF  
 CLASS ACTION SETTLEMENT WITH  
 DEFENDANTS HITACHI CHEMICAL  
 AND SOSHIN**

**Date:** October 10, 2017  
**Time:** 10:00 a.m.  
**Place:** Courtroom 11, 19<sup>th</sup> Floor

1 I, Steven N. Williams, declare as follows:

2 1. I am an attorney duly licensed to practice law in the State of California and  
3 admitted to practice in this Court and the courts of the State of California. I am a partner with  
4 Cotchett, Pitre & McCarthy, LLP (“CPM”) and Interim Co-Lead Counsel for Indirect Purchaser  
5 Plaintiffs (“IPPs”). The matters described are based on my personal knowledge, and if called as  
6 a witness, I could and would testify competently thereto. I make this declaration pursuant to 28  
7 U.S.C. § 1746.

8 2. I make this Declaration in support of IPPs’ motion for preliminary approval of  
9 class action settlement with Defendants (1) Hitachi Chemical Co., Ltd., Hitachi AIC Inc., and  
10 Hitachi Chemical Co. America, Ltd. (collectively “Hitachi Chemical”), and (2) Soshin Electric  
11 Co., Ltd. and Soshin Electronics of America, Inc. (collectively “Soshin”) (collectively, the  
12 “Settlements” or the “Settling Defendants”). A true and correct copy of the proposed Hitachi  
13 Chemical settlement agreement is attached hereto as Exhibit 1. A true and correct copy of the  
14 proposed Soshin settlement agreement is attached hereto as Exhibit 2.

15 3. This case arises from an alleged conspiracy by the Defendants to fix, raise,  
16 maintain and/or stabilize the price of capacitors sold in the United States. This case has been  
17 heavily litigated, with multiple rounds of motions to dismiss and motions for summary judgment  
18 already having been filed, and class certification currently pending with the Court. There have  
19 been significant discovery challenges faced by IPPs, not only in regards to obtaining documents  
20 and information from Defendants but also in obtaining documents and information from non-  
21 party capacitor distributors in order to successfully prosecute this action.

22 4. Defendant Hitachi Chemical is alleged to have been involved in both the  
23 electrolytic and film capacitor conspiracies. *See* Fifth Consolidated Complaint, ¶¶ 2–3, 41–44.  
24 Specifically, Defendant Hitachi Chemical was involved in the manufacturing, marketing, and  
25 sale of both electrolytic capacitors film capacitors.

26 5. Defendant Soshin is alleged to have been involved in the film capacitor conspiracy  
27 from January 1, 2002 to the present. *See* Fifth Consolidated Complaint. ¶¶ 3, 87–88. Specifically,  
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1 Defendant Soshin was involved in the manufacturing, marketing, and sale of film capacitors; it  
2 neither manufactured nor sold electrolytic capacitors during the relevant time period.

3 6. The Settlements were reached after hard-fought litigation, are the result of arms-  
4 length negotiations, and Interim Class Counsel believes that the settlements are in the best  
5 interests of the Class. These settlements, although not the first, come after substantial discovery  
6 in the case, and come at a time when the non-settling Defendants, for the most part, either refuse  
7 to produce their witnesses entirely for depositions or their witnesses have invoked the Fifth  
8 Amendment and refused to testify.

9 7. IPPs engaged in settlement negotiations with Defendant Hitachi Chemical for  
10 almost a year. These negotiations included a mediation with a nationally renowned mediator, in  
11 person meetings, the exchange of confidential information reflecting the parties' respective  
12 views of liability and damages, and information concerning Hitachi Chemical's financial  
13 conditions and prospects. After the mediation and with the assistance of the mediator, the parties  
14 engaged in several additional discussions and negotiations regarding an appropriate settlement.  
15 These negotiations were hard fought. The proposed settlement was only agreed upon after the  
16 exchange of information, continued dialogue between the parties, and negotiation concerning  
17 appropriate financial consideration. The settlement was reached after the exchange of expert  
18 reports and expert discovery regarding class certification.

19 8. Negotiations with Defendant Soshin followed a similar, although not identical,  
20 process as negotiations with Hitachi Chemical. The parties held in-person meetings, telephonic  
21 meetings, exchanged information, and exchanged settlement proposals. The proposed settlement  
22 was arrived at only after both sides had the opportunity to be fully informed of the relative  
23 strengths and weaknesses of their positions, litigation risks, and issues involving ability to pay.  
24 Williams Declaration ¶ 8. As with Hitachi, the settlement with Soshin was only reached after  
25 substantial discovery in this action.

26 9. In addition, the Settlements reflect a very high percentage of the overall sale of  
27 capacitors by the settling Defendants. Based on the data provided to IPPs, the Settlement with  
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