



Department of Justice

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FORMER TAIWANESE EXECUTIVE INDICTED IN COLOR DISPLAY TUBE PRICE-FIXING CONSPIRACY

Global Price-Fixing Scheme Involves Tubes Used in Computer Monitors

WASHINGTON – A federal grand jury in San Francisco has returned an indictment against a former executive of a large Taiwanese color display tube (CDT) manufacturing company for participating in a global conspiracy to fix prices of CDTs, a type of cathode ray tube used in computer monitors and other specialized applications, the Department of Justice announced today.

The indictment, filed last night in the U.S. District Court in San Francisco, charges Wen Jun (Tony) Cheng, a former Assistant Vice President of Sales and Marketing, with conspiring with unnamed co-conspirators to suppress and eliminate competition by fixing prices, reducing output, and allocating market shares of CDTs. The Department alleges that Cheng participated in the conspiracy beginning at least as early as January 1999 until at least September 2004.

Cheng was previously indicted on Feb. 3, 2009, for his participation in a global conspiracy to fix prices of Thin Film Transistor-Liquid Crystal Display (TFT-LCD) panels.

The indictment alleges, among other things, that Tony Cheng and co-conspirators carried out the CDT conspiracy by attending meetings and engaging in conversations and communications in Taiwan, Korea, Malaysia, China and elsewhere to discuss and agree on the prices, output and market shares of CDTs. Cheng and co-conspirators are also alleged to have implemented an auditing system to verify that production lines had been shut down as agreed, and to have taken steps to conceal the conspiracy.

Cheng is charged with violating the Sherman Act, which carries a maximum penalty of 10 years imprisonment and a fine of \$1 million for individuals for violations occurring after June 22, 2004. The maximum fines may be increased to twice the gain derived from the crime or twice the loss suffered by the victims if either or those amounts is greater than the Sherman Act maximum fines.

This case is part of an ongoing joint investigation by the San Francisco Office of the Antitrust Division of the U.S. Department of Justice and the Federal Bureau of Investigation in San Francisco. Anyone with information concerning illegal conduct in the cathode ray tube industry is urged to call the San Francisco Field Office of the Antitrust Division at 415-436-6660.

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