



# Department of Justice

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## **EPSON IMAGING DEVICES AGREES TO PLEAD GUILTY AND PAY \$26 MILLION FINE FOR PARTICIPATING IN LCD PRICE-FIXING CONSPIRACY**

WASHINGTON – Japanese electronics manufacturer Epson Imaging Devices Corporation (Epson) agreed to plead guilty and pay a \$26 million criminal fine for its role in a conspiracy to fix prices in the sale of Thin Film Transistor-Liquid Crystal Display panels (TFT-LCD) sold to Motorola Inc., the Department of Justice announced today.

According to a one-count felony charge filed today in U.S. District Court in San Francisco, Epson, a subsidiary of Seiko Epson Corporation, participated in a conspiracy to fix the prices of TFT-LCD panels sold to Motorola for use in Razr mobile phones from the fall of 2005 to the middle of 2006. According to the plea agreement, which is subject to court approval, Epson has agreed to cooperate with the Department's ongoing antitrust investigation.

TFT-LCD panels are used in computer monitors and notebooks, televisions, mobile phones and other electronic devices. In 2006, the worldwide market for TFT-LCD panels was approximately \$70 billion. Epson, based in Japan, was known as Sanyo Epson Imaging Devices Corporation during the conspiracy.

Epson is charged with carrying out the conspiracy by agreeing, during bilateral meetings, conversations and communications with unnamed co-conspirators in Japan, to charge prices of TFT-LCD to be sold to Motorola at certain predetermined levels. Epson issued price quotations in accordance with the agreements reached and exchanged information on sales of TFT-LCD sold to Motorola, for the purpose of monitoring and enforcing adherence to the agreed-upon prices.

Today's charge is the result of a joint investigation into the TFT-LCD industry by the Department of Justice Antitrust Division's San Francisco Field Office and the Federal Bureau of Investigation in San Francisco. Previously in this investigation, on Dec. 15, 2008, LG Display Co. pleaded guilty to participating in a worldwide conspiracy to fix the price for TFT-LCD panels and was sentenced to pay a \$400 million criminal fine. On Dec. 16, 2008, Sharp Corp. pleaded guilty to participating in three separate conspiracies to fix the prices of TFT-LCD panels sold to Dell, Apple Computer Inc. and Motorola Inc. and was sentenced to pay a \$120 million criminal fine. On Jan. 14, 2009, Chunghwa Picture Tubes Ltd. pleaded guilty to participating in the same worldwide conspiracy as LG, and was sentenced to pay a \$65 million criminal fine. On May 22, 2009, Hitachi Displays Ltd. pleaded guilty to participating in a conspiracy to fix the prices of TFT-LCD panels sold to Dell Inc. for use in desktop monitors and notebook computers

from April 1, 2001, to March 31, 2004, and was sentenced to pay a \$31 million criminal fine. Additionally, nine executives have been charged to date in the Department's ongoing investigation.

Anyone with information concerning illegal conduct in the TFT-LCD industry is urged to call the Antitrust Division's San Francisco Field Office at 415-436-6660.

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