



Department of Justice

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TAIWAN LCD PRODUCER AGREES TO PLEAD GUILTY AND PAY \$30 MILLION FINE FOR PARTICIPATING IN LCD PRICE-FIXING CONSPIRACY

Fines Obtained in LCD Investigation Total More Than \$890 Million

WASHINGTON A Taiwan thin-film transistor-liquid crystal display (TFT-LCD) panel producer and seller has agreed to plead guilty and to pay a \$30 million criminal fine for its role in a global conspiracy to fix the prices of TFT-LCD panels, the Department of Justice announced today.

According to a one-count felony charge filed today in U.S. District Court in San Francisco, HannStar Display Corporation, based in Taipei, Taiwan, participated in a conspiracy from Sept. 14, 2001, to Jan. 31, 2006, to fix the prices of TFT-LCD panels sold worldwide. According to the plea agreement, which is subject to court approval, HannStar has agreed to cooperate with the department's ongoing TFT-LCD investigation.

TFT-LCD panels are used in computer monitors and notebooks, televisions, mobile phones and other electronic devices. By the end of the conspiracy period, the worldwide market for TFT-LCD panels was valued at \$70 billion. Companies directly affected by the LCD price-fixing conspiracy are some of the largest computer and television manufacturers in the world, including Apple, Dell and Hewlett Packard.

"The Antitrust Division has thus far charged seven companies and 17 executives as a result of its investigation into the LCD industry, and we are committed to vigorously prosecuting corporations and individuals who engage in this type of price fixing scheme," said Christine Varney, Assistant Attorney General in charge of the Department of Justice's Antitrust Division.

According to the charge, HannStar carried out the conspiracy by agreeing during meetings, conversations and communications to charge prices of TFT-LCD panels at certain pre-determined levels and issuing price quotations in accordance with the agreements reached. As a part of the conspiracy, HannStar exchanged information on sales of TFT-LCD panels for the purpose of monitoring and enforcing adherence to the agreed-upon prices.

HannStar is charged with price fixing in violation of the Sherman Act, which carries a maximum fine of \$100 million for corporations. The maximum fine may be increased to twice the gain derived from the crime or twice the loss suffered by the victims of the crime, if either of those amounts is greater than the statutory maximum fine.

Including today's charge, as a result of this investigation, seven companies have pleaded guilty or have agreed to plead guilty and have been sentenced to pay or have agreed to pay criminal fines totaling more than \$890 million. Additionally, 17 executives have been charged to date in the department's ongoing investigation.

Today's charge is the result of a joint investigation by the Department of Justice Antitrust Division's San Francisco Field Office and the FBI in San Francisco.

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 or visit www.justice.gov/atr/contact/newcase.htm.

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