



# Department of Justice

FOR IMMEDIATE RELEASE  
FRIDAY, MARCH 18, 2011  
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## **SAMSUNG SDI AGREES TO PLEAD GUILTY IN COLOR DISPLAY TUBE PRICE-FIXING CONSPIRACY**

### *Company to Pay \$32 Million Criminal Fine*

WASHINGTON – Samsung SDI Company Ltd. has agreed to plead guilty and to pay a \$32 million criminal fine for its role in a global conspiracy to fix prices, reduce output and allocate market shares of color display tubes (CDTs), a type of cathode ray tube used in computer monitors and other specialized applications, the Department of Justice announced today.

According to a one-count felony charge filed today in U.S. District Court in San Francisco, Republic of Korea-based Samsung SDI participated in a conspiracy from at least as early as January 1997, until at least as late as March 2006, to suppress and eliminate competition by fixing prices, reducing output and allocating market shares of CDTs to be sold in the United States and elsewhere. According to the plea agreement, which is subject to court approval, Samsung SDI has agreed to cooperate with the department's ongoing cathode ray tube investigation.

According to the charge, Samsung SDI and co-conspirators agreed to charge prices of CDTs at certain target levels or ranges, to reduce output of CDTs by shutting down CDT production lines for certain periods of time and to allocate market shares of CDTs. As part of the conspiracy, Samsung SDI and co-conspirators exchanged CDT sales, production, market share and pricing information for the purpose of monitoring and enforcing adherence to their agreements. The department charged that the conspirators met in Taiwan, Korea, Malaysia, China and elsewhere for their discussions.

Samsung SDI is charged with violating 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.

In addition to today's charge, six individuals have been indicted in connection with the CDT investigation. On Feb. 10, 2009, Cheng Yuan "C.Y." Lin was indicted for his participation in both the CDT conspiracy and a price-fixing conspiracy in the color picture tube industry. On Aug. 18, 2009, Wen Jun "Tony" Cheng was indicted for his participation in the CDT conspiracy. On March 30, 2010, Chung Cheng "Alex" Yeh was indicted for his participation in the CDT conspiracy. On Nov. 9, 2010, Seung-Kyu "Simon" Lee, Yeong-Ug "Albert" Yang and Jae-Sik

“J.S.” Kim were also indicted for their participation in the CDT conspiracy.

This case is part of an ongoing joint investigation by the Department of Justice Antitrust Division’s San Francisco Office and the FBI in San Francisco. Anyone with information concerning illegal or anticompetitive conduct in the cathode ray tube 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](http://www.justice.gov/atr/contact/newcase.htm).

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