



Department of Justice

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AU OPTRONICS CORPORATION EXECUTIVE CONVICTED FOR ROLE IN LCD PRICE-FIXING CONSPIRACY

WASHINGTON – Following a three-week trial, a federal jury in San Francisco today convicted an executive of the largest Taiwan liquid crystal display (LCD) producer for his participation in a worldwide conspiracy to fix the prices of thin-film transistor-liquid crystal display (TFT-LCD) panels sold worldwide, the Department of Justice announced.

Shiu Lung Leung, AU Optronics Corp.'s former senior manager in the Desktop Display Business Group, was found guilty today in U.S. District Court for the Northern District of California in San Francisco, of participating in a worldwide TFT-LCD price-fixing conspiracy from May 15, 2002 to Dec. 1, 2006.

AU Optronics Corp., based in Hsinchu, Taiwan, and its American subsidiary, AU Optronics Corp. America, headquartered in Houston, were found guilty on March 13, 2012, following an eight-week trial. Former AU Optronics Corp. president Hsuan Bin Chen and former AU Optronics Corp. executive vice president Hui Hsiung were also found guilty at that time. A mistrial was declared against Leung after that trial. Today's verdict is the result of Leung's retrial.

"This international price-fixing conspiracy impacted countless American consumers by raising the price of computer monitors, notebooks and televisions containing LCD panels," said Scott D. Hammond, Deputy Assistant Attorney General of the Antitrust Division's criminal enforcement program. "Today's guilty verdict demonstrates that the Antitrust Division will continue to hold executives accountable for crimes that undermine a competitive marketplace."

The indictment charged that AU Optronics Corp. participated in the worldwide price-fixing conspiracy from Sept. 14, 2001, to Dec. 1, 2006, and that its subsidiary joined the conspiracy as early as spring 2003. Today a jury found that Leung, along with the previously convicted companies and former executives, was guilty of fixing the prices of LCD panels sold in the United States. The conspirators fixed the prices of LCD panels during monthly meetings with their competitors, which were secretly held in hotel conference rooms, karaoke bars and tea rooms around Taiwan.

LCD panels are used in computer monitors and notebooks, televisions and other electronic devices. By the end of the conspiracy, the worldwide market for LCD panels was

valued at \$70 billion annually. The LCD price-fixing conspiracy affected some of the largest computer manufacturers in the world, including Hewlett Packard, Dell and Apple.

The company and its U.S. subsidiary were sentenced on Sept. 20, 2012, before Judge Susan Illston, to pay a \$500 million criminal fine, matching the largest fine imposed against a company for violating U.S. antitrust laws. Chen and Hsiung were each sentenced to serve three years in prison and to each pay a \$200,000 criminal fine.

As a result of this ongoing investigation, eight companies have pleaded guilty or been convicted to date and have been sentenced to pay criminal fines totaling more than \$1.39 billion. Of the 22 charged executives, 13 have pleaded guilty or have been convicted and seven remain fugitives. The executives who have been sentenced have been ordered to serve a combined total of 4,871 days in prison.

The maximum penalty for a Sherman Act violation for an individual is 10 years in prison and a \$1 million fine. 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 fine.

Today's charges are 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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