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NORTHERN DISTRICT OF CALIFORNIA

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UNITED STATES DISTRICT COURT

NORTHERN DISTRICT OF CALIFORNIA

SAN FRANCISCO DIVISION

UNITED STATES OF AMERICA v. DING HUI JOE, aka DAVID JOE, TING-HWEI CHOU, DING HUEI JOE, Defendant.	No. CR 11 0019 RS VIOLATION: Title 15, United States Code, Section 1 (Price Fixing) San Francisco Venue

INDICTMENT

The Grand Jury charges that:

I.

DESCRIPTION OF THE OFFENSE

1. DING HUI JOE, aka DAVID JOE, TING-HWEI CHOU, DING HUEI JOE, is hereby indicted and made a defendant on the charge stated below.

2. From on or about September 14, 2001, until on or about January 31, 2006 ("the period covered by this Indictment"), the exact dates being unknown to the Grand Jury, the defendant and other coconspirators entered into and engaged in a combination and conspiracy to

suppress and eliminate competition by fixing the prices of thin-film transistor liquid crystal display panels ("TFT-LCD") in the United States and elsewhere. The combination and conspiracy engaged in by the defendant and other coconspirators was in unreasonable restraint of interstate and foreign trade and commerce in violation of Section 1 of the Sherman Act (15 U.S.C. § 1). 3. The charged combination and conspiracy consisted of a continuing agreement, understanding, and concert of action among the defendant and other coconspirators, the substantial terms of which were to agree to fix the prices of TFT-LCDs for use in notebook computers, desktop computer monitors, and televisions in the United States and elsewhere.

II.

DEFENDANT AND COCONSPIRATORS

4. Defendant DING HUI JOE is a resident of Taiwan. During the period covered by this Indictment, the defendant was Vice President and later President of HannStar Display Corporation. The defendant joined and participated in the conspiracy from at least as early as September 14, 2001 and continuing at least until January 31, 2006.

5. Various corporations and individuals not made defendants in this Indictment participated as coconspirators in the offense charged in this Indictment and performed acts and made statements in furtherance of it.

6. Whenever in this Indictment reference is made to any act, deed, or transaction of any corporation, the allegation means that the corporation engaged in the act, deed, or transaction by or through its officers, directors, employees, agents, or other representatives while they were actively engaged in the management, direction, control, or transaction of its business or affairs.

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III.

MEANS AND METHODS OF THE CONSPIRACY

7. For the purpose of forming and carrying out the charged combination and conspiracy, the defendant and other coconspirators did those things that they combined and conspired to do, including, among other things:

(a) On or about September 14, 2001, representatives from four Taiwan TFT-LCD manufacturers, including the defendant, secretly met in a hotel room in Taipei, Taiwan and entered into and engaged in a conspiracy to fix the price of TFT-LCD. At this meeting, the conspirators agreed to meet approximately once a month for the purpose of fixing the price of TFT-LCD panels. These meetings were commonly referred to by some of the conspirators as "Crystal Meetings." The four Taiwan TFT-LCD manufacturers also agreed to rotate responsibility for coordinating each of these monthly meetings.

(b) On or about September 21, 2001, representatives from two Korean TFT-LCD manufacturers joined representatives from the four Taiwan TFT-LCD manufacturers, including the defendant, at a Crystal Meeting in a hotel room in Taipei, Taiwan. At or before the September 21, 2001 Crystal Meeting, the two Korean TFT-LCD manufacturers agreed to join the conspiracy to fix the price of TFT-LCD.

(c) Employees from HannStar Display Corporation, including the defendant or his subordinates, attended Crystal Meetings on a regular basis between on or about September 14, 2001, until on or about January 31, 2006, with employees of other participating TFT-LCD manufacturers.

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(d) The defendant attended and participated in multiple Crystal Meetings. The defendant also authorized, ordered, or consented to the attendance and participation of his subordinate employees at Crystal Meetings.

(e) During the period covered by this Indictment, participants in the Crystal Meetings regularly exchanged production, shipping, supply, demand, and pricing information with each other at the meetings for the purpose of agreeing to fix the price of TFT-LCD, as well as implementing, monitoring, and enforcing adherence to the fixed prices. Up until 2003, the participants in the Crystal Meetings reached price agreements on certain sized TFT-LCD used in computer notebooks and monitors. Beginning in 2003, the price agreements reached at the Crystal Meetings also included certain sized TFT-LCD used in flat-screen televisions.

(f) The participants in the conspiracy issued price quotations in accordance with the price agreements and accepted payment for the supply of TFT-LCDs sold at collusive, noncompetitive prices to customers in the United States and elsewhere.

(g) In or about May 2005, the participants in the Crystal Meetings discussed that one or two major TFT-LCD customers may have detected the Crystal Meetings. To keep the meetings secret and avoid detection, the Crystal Meeting participants decided to stop having senior-level sales executives attend the Crystal Meetings. Instead, senior-level executives from the participating TFT-LCD manufacturers instructed lower-level marketing employees to continue the Crystal Meetings. Lower-level marketing employees of HannStar Display Corporation and the other participating TFT-LCD manufacturers continued to meet monthly as a group to exchange shipment, production, and pricing information in furtherance of

the conspiracy to fix the price of TFT-LCD. The lower-level marketing employees met at restaurants and cafes, instead of hotels, in Taipei.

(h) During the period covered by this Indictment, the defendant and other coconspirators took steps to conceal the conspiracy and conspiratorial contacts through various means:

(1) The Crystal Meeting participants discussed the need to keep the Crystal Meetings secret and warned against revealing the existence of the meetings, even to other employees within their own companies who did not participate in the conspiracy.

(2) Participants in the Crystal Meetings were specifically warned to keep the meetings secret because of antitrust laws and the ongoing price-fixing investigation into the DRAM industry.

IV.

TRADE AND COMMERCE

8. TFT-LCDs are glass panels composed of an array of tiny pixels that are electronically manipulated in order to display images. TFT-LCDs are manufactured in a broad range of sizes and specifications for use in televisions, notebook computers, desktop computer monitors, cell phones, mobile devices, and other applications. For purposes of this Indictment, TFT-LCD refers to standard-sized panels for use in computer notebooks and monitors and televisions, including sizes 12.1", 13", 13.3", 14", 14.1", 15", 15.2", 15.4", 17", 18", 19", 20", 26", and 30".

9. During the period covered by this Indictment, the defendant, his corporate employer, and coconspirators sold and distributed substantial quantities of TFT-LCDs in a continuous and uninterrupted flow of interstate and foreign trade and commerce to customers located in states or countries other than the states or countries in which the defendant, his

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corporate employer, and coconspirators produced TFT-LCDs. In addition, payments for TFT-LCDs traveled in interstate and foreign trade and commerce.

10. The business activities of the defendant, his corporate employer, and coconspirators that are the subject of this Indictment were within the flow of, and substantially affected, interstate and foreign trade and commerce.

V.

JURISDICTION AND VENUE

11. The combination and conspiracy charged in this Indictment was carried out, in part, in the Northern District of California, within the five years preceding the filing of this Indictment.

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ALL IN VIOLATION OF TITLE 15, UNITED STATES CODE, SECTION 1.

DATED: 1-13-11

A TRUE BILL

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