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2010 NOV -9 P 2:51
RICHARD W. WIEKING
CLERK, U.S. DISTRICT COURT
NORTHERN DISTRICT OF CALIFORNIA

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7 UNITED STATES DISTRICT COURT
8 FOR THE NORTHERN DISTRICT OF CALIFORNIA
9 SAN FRANCISCO DIVISION
10 CR 10 0817

WHA

11 UNITED STATES OF AMERICA)
12 v.)
13 SEUNG-KYU LEE, a.k.a. SIMON LEE;)
YEONG-UG YANG, a.k.a.)
14 YEONG-WOOK YANG, a.k.a.)
YONG-SHU YANG, a.k.a. YONG-SHU)
15 LIANG, a.k.a., YOUNG-UK YANG, a.k.a.)
YEONG-EUG YANG, a.k.a. ALBERT)
16 YANG; and JAE-SIK KIM,)
17 Defendants.)

No.
INDICTMENT
VIOLATION:
Title 15, United States Code,
Section 1 (Conspiracy in Restraint of Trade)
San Francisco Venue

18
19 The Grand Jury charges that:

20 I.

21 DESCRIPTION OF THE OFFENSE

22 1. The following individuals are hereby indicted and made defendants on the charge
23 stated below: SEUNG-KYU LEE, a.k.a. SIMON LEE; YEONG-UG YANG, a.k.a. YEONG-
24 WOOK YANG, a.k.a. YONG-SHU YANG, a.k.a. YONG-SHU LIANG, a.k.a. YOUNG-UK YANG,
25 a.k.a. YEONG-EUG YANG, a.k.a. ALBERT YANG; and JAE-SIK KIM.

26 2. Beginning at least as early as January 1997, until at least as late as March 2006,
27 the exact dates being unknown to the Grand Jury, coconspirators of the defendants joined,
28 entered into, and engaged in a combination and conspiracy to suppress and eliminate competition

1 by fixing prices, reducing output, and allocating market shares of color display tubes (“CDTs”) to
2 be sold in the United States and elsewhere. The combination and conspiracy engaged in by the
3 defendants and coconspirators was in unreasonable restraint of interstate and foreign trade and
4 commerce in violation of Section 1 of the Sherman Act (15 U.S.C. § 1).

5 3. Defendant SEUNG-KYU LEE joined and participated in the conspiracy from at
6 least as early as January 2000 and continuing until at least December 2005.

7 4. Defendant YEONG-UG YANG joined and participated in the conspiracy from at
8 least as early as June 2003 and continuing until at least March 2006.

9 5. Defendant JAE-SIK KIM joined and participated in the conspiracy from at least as
10 early as June 2003 and continuing until at least March 2006.

11 6. The charged combination and conspiracy consisted of a continuing agreement,
12 understanding, and concert of action among the defendants and coconspirators, the substantial
13 terms of which were to agree to fix prices, reduce output, and allocate market shares of CDTs to
14 be sold in the United States and elsewhere for use in computer monitors and other products with
15 similar technological requirements.

16 II.

17 MEANS AND METHODS OF THE CONSPIRACY

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

- 21 (a) attending meetings and engaging in conversations and communications in
22 Taiwan, Korea, Malaysia, China, and elsewhere to discuss the prices,
23 output, and market shares of CDTs;
- 24 (b) agreeing during those meetings, conversations, and communications to
25 charge prices of CDTs at certain target levels or ranges;
- 26 (c) agreeing during those meetings, conversations, and communications to
27 reduce output of CDTs by shutting down CDT production lines for certain
28 periods of time;

- 1 (d) agreeing during those meetings, conversations, and communications to
2 allocate target market shares for the CDT market overall and for certain
3 CDT customers;
- 4 (e) exchanging CDT sales, production, market share, and pricing
5 information for the purpose of implementing, monitoring, and enforcing
6 adherence to the agreed-upon prices, output reduction, and market share
7 allocation;
- 8 (f) implementing an auditing system that permitted coconspirators to visit each
9 other's production facilities to verify that CDT production lines had been
10 shut down as agreed;
- 11 (g) authorizing and approving the participation of subordinate employees in the
12 conspiracy;
- 13 (h) issuing price quotations and reducing output in accordance with the
14 agreements reached; and
- 15 (i) taking steps to conceal the conspiracy and conspiratorial contacts through
16 various means.

17 III.

18 DEFENDANTS AND COCONSPIRATORS

19 8. Defendant SEUNG-KYU LEE is or was a resident of Korea. From at least as early
20 as January 2000 and continuing until at least December 2005, SEUNG-KYU LEE was employed
21 by Company A and later by Company B. Company B was a joint venture formed in
22 approximately 2001 between Company A and Company C. Beginning around 2004, SEUNG-
23 KYU LEE was responsible for CDT sales for Company B. During the period covered by this
24 Indictment, Company A was a Korean company, and Company B was a company incorporated in
25 the Netherlands, headquartered in Hong Kong, and engaged in the business of producing and
26 selling, among other things, CDTs to customers in the United States and elsewhere.

27 9. Defendant YEONG-UG YANG is or was a resident of Korea. From at least as
28 early as June 2003 and continuing until at least March 2006, YEONG-UG YANG was employed

1 by Company B and, beginning around 2004, was responsible for CRT sales for Company B.
2 During the period covered by this Indictment, Company B was a company incorporated in the
3 Netherlands, headquartered in Hong Kong, and engaged in the business of producing and selling,
4 among other things, CDTs to customers in the United States and elsewhere.

5 10. Defendant JAE-SIK KIM is or was a resident of Korea. From at least as early as
6 June 2003 and continuing until at least March 2006, JAE-SIK KIM was employed by Company D
7 and, beginning around 2002, was CRT Sales Division Head for Company D. During the period
8 covered by this Indictment, Company D was a Korean company engaged in the business of
9 producing and selling, among other things, CDTs to customers in the United States and elsewhere.

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

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

17 IV.

18 TRADE AND COMMERCE

19 13. CDTs are a type of cathode ray tube. Cathode ray tubes consist of evacuated glass
20 envelopes that contain an electron gun and a phosphorescent screen. When electrons strike the
21 screen, light is emitted, creating an image on the screen. CDTs are the specialized cathode ray
22 tubes manufactured for use in computer monitors and other products with similar technological
23 requirements.

24 14. During the period covered by this Indictment, Company B, Company D, and
25 coconspirators sold and distributed substantial quantities of CDTs in a continuous and
26 uninterrupted flow of interstate and foreign trade and commerce to customers located in states or
27 countries other than the states or countries in which Company B, Company D, and coconspirators
28 produced CDTs. In addition, payments for CDTs traveled in interstate and foreign trade and

1 commerce.

2 15. During the period covered by this Indictment, the business activities of the
3 defendants and coconspirators related to the sale and distribution of CDTs that are the subject of
4 this Indictment were within the flow of, and substantially affected, interstate and foreign trade and
5 commerce.

6 V.


7 JURISDICTION AND VENUE

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

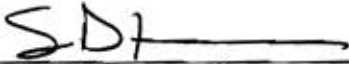
11 ALL IN VIOLATION OF TITLE 15, UNITED STATES CODE, SECTION 1.

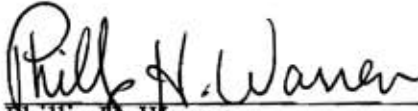
12 DATED:

A TRUE BILL

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14 _____
15 Christine A. Varney
Assistant Attorney General

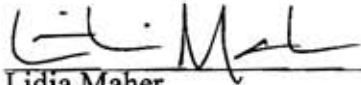
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