



# Department of Justice

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## **TAIWAN LCD PRODUCER AGREES TO PLEAD GUILTY AND PAY \$220 MILLION FINE FOR PARTICIPATING IN LCD PRICE-FIXING CONSPIRACY**

### *Fines Obtained In LCD Investigation Total More Than \$860 Million*

WASHINGTON – A Thin-Film Transistor-Liquid Crystal Display (TFT-LCD) producer and seller has agreed to plead guilty and pay \$220 million in criminal fines for its role in a conspiracy to fix prices in the sale of liquid crystal display panels, the Department of Justice announced today.

According to a one-count felony charge filed today in U.S. District Court in San Francisco, Chi Mei Optoelectronics participated in a conspiracy to fix the prices of TFT-LCD panels sold worldwide from Sept. 14, 2001, to Dec. 1, 2006. According to the plea agreement, which is subject to court approval, Chi Mei has agreed to cooperate with the department's ongoing antitrust 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 HP.

According to the charge, Chi Mei 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, Chi Mei exchanged information on sales of TFT-LCD panels for the purpose of monitoring and enforcing adherence to the agreed-upon prices.

Chi Mei, which is based in Tainan, Taiwan, is charged with price fixing in violation of the Sherman Act. Each violation 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 charges, as a result of this investigation, six 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 \$860 million. Additionally, nine 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.

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