

Intel: \$1.4B EU monopoly fine based on mistakes

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(AP) -- Intel Corp. is claiming in court documents that European Union regulators made serious mistakes in levying a record euro1.06 billion (\$1.45 billion) fine for monopoly abuse last May.

In a legal plea published in the European Union's Official Journal, the U.S. computer chip maker is asking an EU court to overturn the antitrust decision or reduce the "manifestly disproportionate" fine.

It claims that the European Commission did not supply enough proof to back up allegations that [Intel](#) used strong-arm sales tactics in the computer chip market to squeeze out Silicon Valley rival, [Advanced Micro Devices](#) Inc., or AMD, the No. 2 supplier of microprocessors to PC makers.

The EU ordered Intel to stop illegal sales tactics such as rebates to computer manufacturers Acer Inc., [Dell](#) Inc., Hewlett-Packard Co., [Lenovo Group](#) Ltd. and NEC Corp. for buying all or most of their chips from Intel and paying them to stop or delay AMD-based computers.

Intel says regulators are mistaken to judge these discounts as illegal without checking if they actually shut AMD out of the market and had "immediate, substantial, direct and foreseeable effects" on sales to European customers.

The company says AMD increased market share and profits during part of the 2002-2007 period and that AMD's "own shortcomings" were to

blame with poor sales in some markets or with some computer manufacturers.

Intel also claims that its rights were violated because regulators did not grant the company a second hearing to dispute new charges in July 2008 and did not follow up Intel's request that it seek certain documents from AMD for the investigation.

The European Court of First Instance has not yet set a date to hear Intel's appeal.

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