

# **AU Optronics guilty in display screen price-fixing case**

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Taiwan's largest maker of displays for computers, smartphones and other gadgets was convicted on Tuesday of taking part in a price-fixing conspiracy that brought in more than a half-billion dollars in "ill-gotten gains."

AU Optronics along with a Texas-based subsidiary and two former top executives were convicted on conspiracy charges after a trial in federal court in San Francisco, according to the US Department of Justice (DOJ).

The charges carry maximum punishments of ten years in prison and a million-dollar fine for a person or a fine of as much as a billion dollars for a corporation.

The companies and one-time president Hsuan Bin Chen and former executive vice president Hui Hsiung took part in a scheme to rig prices of thin-film transistor-liquid crystal (TFT-LCD) display panels from late 2001 to December in 2006, according to the DOJ.

"The jury's decision to hold not only the companies but also their [top executives](#) accountable for their anticompetitive actions should send a strong deterrent message to board rooms around the world," said DOJ [antitrust division](#) head Sharis Pozen.

LCD screens are used in computers, laptops, televisions, smartphones and other gadgets.

Rival LCD makers met in secret in karaoke bars, tea rooms, and hotel conference rooms in Taiwan to set prices rather than letting market forces prevail, according to the DOJ.

The jury's finding of \$500 million in ill-gotten gains by Optronics was based on US imports of LCD screens.

The global market for TFT-LCD screens was valued at \$70 billion annually at the end of 2006 and companies that paid inflated prices included technology titans Apple, Dell, and Hewlett Packard, according to the DOJ.

The convictions on Tuesday were part of an ongoing investigation that had already resulted in guilty pleas from seven other companies accused of taking part in the conspiracy.

Seventeen executives have been criminally charged, with ten of them pleading guilty in deals negotiated with prosecutors, according to the DOJ.

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