

# EU regulators suspect worldwide cartel in CD, DVD drives

July 24 2012

---



A workman drives a bulldozer over a pile of confiscated pirate audio cassettes, video cassettes, CDs and DVDs in 2008. The European Commission on Tuesday said it had sent a "statement of objections" to 13 firms suspected of taking part in a cartel for optical disk drives, used to read or write data on CDs and DVDs.

The European Commission on Tuesday said it had sent a "statement of objections" to 13 firms suspected of taking part in a cartel for optical disk drives, used to read or write data on CDs and DVDs.

"The Commission has concerns that those suppliers may have coordinated their behaviour in bidding events organised by two major original equipment manufacturers for optical disk drives," a statement said, without naming the firms.

A statement of objections is a formal step in a probe into suspected

violations of EU rules prohibiting cartels and restrictive business practices.

Once informed in writing, companies can examine documents on commission files and respond.

The commission statement added that it "takes the preliminary view that the companies concerned engaged for at least five years in bid rigging, which is one of the most serious breaches of EU antitrust rules."

Should the regulators conclude there was an infringement, it can slap a fine of up to 10 percent of a company's annual worldwide turnover.

(c) 2012 AFP

Citation: EU regulators suspect worldwide cartel in CD, DVD drives (2012, July 24) retrieved 14 August 2024 from <https://phys.org/news/2012-07-eu-probes-cartel-cd-makers.html>

This document is subject to copyright. Apart from any fair dealing for the purpose of private study or research, no part may be reproduced without the written permission. The content is provided for information purposes only.