

Western Digital says JV partner Toshiba's complaints harmful

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Western Digital Corp. lashed back against its joint venture partner Toshiba on Thursday in a deepening feud over the Japanese company's plan to sell its computer memory business.

In response to Toshiba's announcement a day earlier that it was suing Western Digital, seeking 120 billion yen (\$1.1 billion) in damages, Western Digital said Toshiba's complaints over its objections to the sale of the memory unit and accusations of misuse of trade secrets were "frivolous and without merit" and would hurt customers and stakeholders.

"We remain committed to upholding all of our commitments and obligations as a partner in the JVs, including the vigorous protection of <u>trade secrets</u>," Western Digital said in a statement. Any claims by Toshiba to the contrary are frivolous and without merit.

Western Digital said Toshiba was blocking access by some workers to shared databases and their Japanese joint venture's facilities.

"This action will have the consequence of harming not only Toshiba's stakeholders, but also our respective customers," it said.

Financially strapped Toshiba needs to sell the flash memory unit to survive. Western Digital says it has no right to sell it without its consent.

Western Digital owns some SanDisk chip operations including the joint



venture in Japan with Toshiba. It submitted a bid for the memory chip business but Toshiba is negotiating on a deal with a consortium led by a Japanese government-backed fund.

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