

Qualcomm in sights of Japanese regulators

July 28 2009



The Japan Fair Trade Commission (JFTC) has set its sights on Qualcomm, less than a week after the US wireless technology titan was fined over 200 million dollars by South Korea's antitrust watchdog.

The Japan Fair Trade Commission (JFTC) has set its sights on Qualcomm, less than a week after the US wireless technology titan was fined over 200 million dollars by South Korea's antitrust watchdog.

The San Diego, California-based Qualcomm said in a brief statement Tuesday it had received a "draft order" from the Japanese regulator and was reviewing a translation of the document.

"It appears that the draft is directed at common, industry-standard licensing terms that are in fact pro-competitive and were the subject of intense negotiations with very substantial Japanese companies," it said.

Qualcomm added that it had not seen the evidence for the JFTC complaint and "has not, until today, even been aware of many of the

allegations."

Qualcomm said it planned to file written response to the JFTC move.

South Korea's Fair Trade Commission (FTC) fined Qualcomm a record 260 billion won (208 million dollars) on Friday for violating fair competition rules by abusing its market monopoly.

The FTC said it imposed the fine, the largest ever on a single company, after investigating whether the mobile chipmaking giant engaged in improper business practices to bolster its market dominance.

The watchdog accused Qualcomm of abusing its status as market leader by demanding higher royalties from mobile phone makers using products made by its competitors.

Qualcomm plans to appeal the South Korean ruling and said its activities have been "legitimate, appropriate and competition-friendly."

Qualcomm retains top status in the mobile chipmaking market and owns key patents for its code division multiple access (CDMA) system, the most widely used wireless network standard in the world.

Qualcomm and [Verizon Wireless](#) announced meanwhile they had formed a joint venture to provide machine-to-machine (M2M) wireless communications and smart services offerings in health care, manufacturing, utilities, distribution and consumer products segments.

Smart services allow utilities, for example, to wirelessly connect to circuit breakers, transformers and other sub-station equipment and develop more-intelligent interactive utility networks.

The M2M market is projected to reach more than 85 million

connections globally by 2012.

Financial terms of the 50-50 joint venture were not disclosed.

Qualcomm shares were trading 0.48 percent lower in New York at 46.26 dollars on Tuesday.

(c) 2009 AFP

Citation: Qualcomm in sights of Japanese regulators (2009, July 28) retrieved 19 September 2024 from <https://phys.org/news/2009-07-qualcomm-sights-japanese.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.