

S. Korean antitrust agency fines LCD makers \$175m

30 October 2011

Seoul's antitrust agency said on Sunday it had fined 10 of the world's leading flat panel makers in South Korea and Taiwan a total of 194 billion won (\$175 million) for price fixing.

Firms including Samsung Electronics and LG Display in [South Korea](#) and [AU Optronics](#) and Chimei Innolux from Taiwan colluded from 2001 to 2006 to control prices of panels for computers and televisions, the [Fair Trade Commission](#) said.

"They colluded on minimum prices of panels, pricing policies on each product type, timing of price increases and a ban on cash rebates," the FTC said in a statement.

The offenders also included Taiwanese and Japanese units of both Samsung Electronics and LG Display as well as Taiwan's Chunghwa Picture Tubes and HannStar Display, it said.

Officials from the firms involved held around 200 secret meetings over six years to agree on cutting or suspending production to prevent prices from falling and to exchange confidential information such as sales plans, it said.

"They were aware that such action was illegal and kept their gatherings and information secret," said the statement.

The firms have a combined 80 percent share in the global liquid crystal display (LCD) market, the FTC said, adding the cartel hurt consumers by increasing prices of computers, laptops and televisions.

[Samsung Electronics](#), the world's top [flat screen](#) maker, and its overseas units were slapped with the heaviest fine of 97.2 billion won, followed by 65.5 billion won for LG Display and its foreign affiliates.

The fines by the FTC -- the largest it has ever

imposed for a case of international price fixing -- came three years after several major Asian LCD makers, including LG, were fined after a similar US probe.

In December, the European Commission also fined six Asian makers of [LCD screens](#) a total of 649 million euros (\$860 million at the time) for operating for almost five years as a cartel.

Samsung said it respected the regulator's decision and would abide by it.

LG Display however said it opposed the ruling and would appeal to the Seoul court to reduce the fine on the grounds that it had fully cooperated with the investigation.

(c) 2011 AFP

APA citation: S. Korean antitrust agency fines LCD makers \$175m (2011, October 30) retrieved 3 December 2020 from <https://phys.org/news/2011-10-korean-antitrust-agency-fines-lcd.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.