

Qualcomm settles vastly reduced Taiwan antitrust fine

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US chipmaking giant Qualcomm on Friday agreed a sharply reduced fine with Taiwan after officials said it had harmed market competition and manipulated prices, as it faces a number of probes worldwide.

Taiwan's Fair Trade Commission last year fined the firm Tw\$23.4 billion (\$763 million) saying the world's biggest handset chip supplier had violated fair trade rules for at least seven years.

The authorities found that Qualcomm had refused to offer licences to rival manufacturers that are essential for making chipsets and had imposed unfair contracts on smartphone makers.

But under a deal struck between the two sides, the commission said the US firm will not have to pay more than the Tw\$2.73 billion of the original fine already stumped up.

The company also agreed to renegotiate disputes with Taiwanese mobile licencees "in good faith" and will not withhold supply of chips, according to the commission's statement.

Qualcomm confirmed the "mutually agreed settlement" in a statement Friday and said it had pledged a five-year plan to invest in mobile technology in Taiwan and to establish an operations centre there.

The commission said it hoped the settlement would "have a positive impact on the development of Taiwan's semiconductor, mobile communications and 5G technology sectors".

Analysts said the deal was a "win-win" at a time when Taiwan wants to attract more foreign investment.

"It makes both parties look good," said Gordon Sun of the Taiwan Institute of Economic Research (TIER).

Qualcomm still faces huge fines linked to similar probes in South Korea, the European Union and the United States, while it is also involved in a long-running licensing dispute with tech titan Apple.

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