



Department of Justice

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AT
(202) 514-2007
TTY (866) 544-5309

TAIWAN-BASED AU OPTRONICS CORPORATION SENTENCED TO PAY \$500 MILLION CRIMINAL FINE FOR ROLE IN LCD PRICE-FIXING CONSPIRACY

***Company Also Sentenced to Adopt Antitrust Compliance Program; Former Top Executives
Each Sentenced to Serve Three Years in Prison and to Pay Criminal Fine***

WASHINGTON — AU Optronics Corporation, a Taiwan-based liquid crystal display (LCD) producer, was sentenced today in U.S. District Court in San Francisco to pay a \$500 million criminal fine for its participation in a five-year conspiracy to fix the prices of thin-film transistor LCD panels sold worldwide, the Department of Justice announced. Its American subsidiary and two former top executives were also sentenced today. The two executives were sentenced to serve prison time and to pay criminal fines for their roles in the conspiracy. The \$500 million fine matches the largest fine imposed against a company for violating the U.S. antitrust laws.

Today's sentencing took place before Judge Susan Illston. Along with the criminal fine, AU Optronics Corporation was also sentenced to print advertisements in three major trade publications in the United States and Taiwan acknowledging its convictions and punishments and the remedial steps it has taken as a result of its conviction. The company and its American subsidiary, AU Optronics Corporation America, were also placed on probation for three years, required to adopt an antitrust compliance program and to appoint an independent corporate compliance monitor.

"This long-running price-fixing conspiracy resulted in every family, school, business, charity and government agency who bought notebook computers, computer monitors and LCD televisions during the conspiracy to pay more for these products," said Scott D. Hammond, Deputy Assistant Attorney General for the Antitrust Division's criminal enforcement program. "The Antitrust Division will continue to pursue vigorously international cartels that target American consumers and rob them of their hard earned money."

Former AU Optronics Corporation president Hsuan Bin Chen was sentenced to serve three years in prison and to pay a \$200,000 criminal fine. Former AU Optronics Corporation executive vice president Hui Hsiung was also sentenced to serve three years in prison and to pay a \$200,000 criminal fine.

“The number of criminal antitrust cases filed has significantly increased over the last five years, and so has the dedication of FBI resources to these important investigations. The FBI remains committed to thwarting fraud and corruption in the United States and around the world. To that end, we have agents, analysts and professional staff in all of our 56 Field Offices and 63 LEGATs that are committed to fighting these crimes wherever they are found and at whatever level they are found. I would like to commend the employees of the FBI’s San Francisco Field Office and the Department of Justice Antitrust Division, for their fine work on this very important antitrust investigation. This team has devoted countless hours to the investigation and I appreciate their devotion to the mission,” said Assistant Director Ronald T. Hosko, of the FBI’s Criminal Investigative Division.

The companies and former executives were found guilty on March 13, 2012, following an eight-week trial. The indictment charged that AU Optronics Corporation participated in the worldwide price-fixing conspiracy from Sept. 14, 2001, to Dec. 1, 2006, and that its subsidiary joined the conspiracy as early as spring 2003. The jury found that the convicted companies and former executives fixed the prices of LCD panels sold into the United States. The prices were fixed during monthly meetings with their competitors secretly held in hotel conference rooms, karaoke bars and tea rooms around Taiwan. LCD panels are used in computer monitors and notebooks, televisions and other electronic devices. By the end of the conspiracy, the worldwide market for LCD panels was valued at \$70 billion annually. The LCD price-fixing conspiracy affected some of the largest computer manufacturers in the world, including Hewlett Packard, Dell and Apple.

Including today’s sentences, eight companies have been convicted of charges arising out of the department’s ongoing investigation and have been sentenced to pay criminal fines totaling \$1.39 billion. All together, 22 executives have been charged. Including today’s sentences, 12 executives have been convicted and have been sentenced to serve a combined total of 4,871 days in prison.

Today’s charges are the result of a joint investigation by the Department of Justice Antitrust Division’s San Francisco Field Office and the FBI in San Francisco. Anyone with information concerning illegal conduct in the LCD industry is urged to call the Antitrust Division’s San Francisco Field Office at 415-436-6660 or visit www.justice.gov/atr/contact/newcase.htm.

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