

## STATE OF MISSISSIPPI



### JIM HOOD ATTORNEY GENERAL

#### Mississippi and 32 Other States Announce Settlement With Top DRAM Manufacturers

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#### **FOR IMMEDIATE RELEASE**

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Jackson, MS-- Attorney General Jim Hood, along with 32 state attorneys general, today announced a \$173 million settlement against six world-wide manufacturers of Dynamic Random Access Memory computer chips (DRAM) after the companies "devised an elaborate scheme to raise prices" on their products.

The settlement requires the companies to refrain from illegal price-fixing and to conduct employee-compliance training.

Approximately \$115 million of the settlement funds will go to consumers and businesses. Around \$14 million of the settlement funds will go to state and local governments, school districts and colleges and universities. The remaining funds will reimburse litigation expenses and costs.

"We don't know yet exactly how much of the total settlement will be coming to Mississippi," said Attorney General Hood. "We'll have to get together with the other states and determine how the total will be divided."

DRAM is a common form of memory chip found in desktop computers, laptops, servers, printers and networking equipment such as routers and hubs. DRAM sales to major electronic manufacturers, including Dell, IBM and Hewlett-Packard, exceed \$5 billion a year, who in turn sale computer equipment to consumers and state and local governments.

In July 2006, the state Attorneys General filed multi-state antitrust complaint in federal district court alleging that consumers, state agencies,

universities and colleges and local governments over-paid for products containing DRAM chips at inflated prices. The DRAM manufacturers named in the lawsuit include the American companies Micron Technology, Inc. and NEC Electronics America, Inc., as well as foreign companies Infineon Technologies A.G. in Germany; Hynix Semiconductor, Inc. in South Korea; Elpida Memory Inc. in Japan; Mosel-Vitellic Corp. in Taiwan; and their American subsidiaries.

The States investigation revealed that from 1998 to 2002, the companies held numerous meetings among their salespeople and upper management in which they exchanged confidential information and agreed to quote inflated prices on DRAM to their customers. During that time period, the companies sold at least \$20 billion in DRAM chips in the United States.

The defendants agreed to settle the States lawsuits, as well as lawsuits by private plaintiffs, by agreeing to pay \$173 million over two years, plus interest, to the 33 states and to private plaintiffs.

Some of these companies are already paying millions of dollars in fines to the federal government on charges of price fixing.

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