

Attorney General Kamala D. Harris Announces Settlements Totaling \$4.95 Million with LG, Hitachi, Panasonic, Toshiba and Samsung Over Price-Fixing Scheme

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SAN FRANCISCO - Attorney General Kamala D. Harris today announced a preliminary approval of settlements resolving allegations that LG, Hitachi, Panasonic, Toshiba, and Samsung, companies all based in Japan or Korea, fixed prices on critical components of televisions and computer monitors from 1995 to 2007. Those critical components, known as Cathode Ray Tubes or CRTs, were used to display images on computer monitors and televisions screens before they were replaced by flat screens. The court has approved the settlement pending valid objections submitted within 60 days.

The companies' price fixing scheme caused damage to California consumers and government entities that overpaid for their televisions and computers. The announced settlement has led to legally enforceable judgments against these foreign companies.

"LG, Hitachi, Panasonic, Toshiba, and Samsung deliberately targeted the U.S. market to raise prices for televisions and computers worldwide," said Attorney General Harris. "These settlements bring justice and relief to California consumers and end the malicious practice of price-fixing by these companies."

The settlements, which were filed in San Francisco Superior Court, require all five companies to pay a total of \$4.95 million to settle claims of overcharges paid by California government entities, general damages suffered by the State's economy, and civil penalties. The settlements require that the companies pay back the illegally obtained profits to those affected by their actions. In addition, the settlements include injunctive relief, which requires that each company engage in company-wide antitrust compliance training and reporting that involves products in addition to CRTs and extends to foreign companies and subsidiaries. Finally, the settlements include requirements, enforceable by the court via fines and imprisonment, to prevent future violations of antitrust law.

In 2011, after the Office of Attorney General Harris conducted a confidential investigation into price-fixing involving CRTs, Attorney General Harris filed complaints against these companies for having entered into a price-fixing conspiracy of critical components of television and computer screens. That conspiracy involved top-level meetings of key executive decision-makers in Asia and Europe to set prices and outputs of CRTs. It also involved worldwide meetings among lower-level executives to exchange confidential information. Californian subsidiaries of these companies were involved in this conspiracy and took on the role of monitoring the prices of televisions and computers in California stores.

This case, filed by Attorney General Harris, requested the court award damages to California consumers. A parallel case filed by private counsel in federal court, known as the Indirect Purchaser Plaintiffs, also requested damages on behalf of Californians, and Attorney General Harris and the Indirect Purchaser Plaintiffs coordinated their discovery and settlement efforts.

Due to these coordinated efforts, California consumers or sole proprietorships that purchased at least one television

or computer between 1995 and 2007 can make a claim, with a guaranteed minimum check of \$25.

All eligible California consumers and sole proprietorships can file claims for reimbursement at <https://www.crtclaims.com/>. The new deadline for filing those claims is June 30, 2016.

In December 2015, Attorney General Harris announced a settlement resolving allegations that Pratibha Syntex Ltd., a company based in India, gained an unfair competitive advantage over American-based companies by using pirated software in the production of clothing imported and sold in California. The settlement, which was filed in Los Angeles Superior Court, required Pratibha Syntex to pay \$100,000 in restitution, prohibited Pratibha Syntex from using unlicensed software or reproducing any part of a copyrighted software program without the permission of the legitimate copyright holder, and required the company to perform four complete audits of the software on their computers and fix any violations within 45 days. That case marked the first time a state has secured a legally enforceable judgment against an international company for these types of violations.

Copies of the complaint, memorandum in support of preliminary approval, and the order granting preliminary approval, are all attached to the online version of this release at www.oag.ca.gov/news. Further details can also be found at http://oag.ca.gov/consumers/crt_notice.

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Attachment	Size
 CRTs - Complaint.pdf	2.2 MB
 CRTs - Preliminary Approval Motion.pdf	4.03 MB
 CRTs - Preliminary Approval Order.pdf	1.28 MB
 CRTs - Supplemental Brief ISO Preliminary Approval Motion.pdf	2.89 MB