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Many Washingtonians who purchased TVs and computer monitors between 1995 and 2007 will receive restitution through a claims process

OLYMPIA — Attorney General Bob Ferguson today announced that Philips, a multinational electronics company, will pay \$7 million as part of the Attorney General's price-fixing lawsuit against manufacturers of cathode ray tubes, or CRTs, a technology once ubiquitous in television screens and computer monitors.

Under the consent decree, filed in King County Superior Court, Philips will pay \$7 million for the Attorney General's price-fixing claims. Ferguson will distribute the bulk of the money recovered through a claims process for Washington consumers and state agencies that purchased CRTs during the conspiracy period.

The lawsuit alleges Philips and other CRT manufacturers, including LG, Panasonic, Hitachi, Chungwha, Toshiba and Samsung, engaged in a price-fixing scheme to drive up the cost of CRTs from 1995 to 2007. During those 12 years, the price-fixing conspiracy caused millions of Washington consumers to be overcharged for their CRT televisions and computer monitors.

"Because of this conspiracy, Washington consumers overpaid for televisions and computer monitors without knowing it," Ferguson said. "We are returning the money back where it belongs: the pockets of Washingtonians."

The lawsuit alleges Philips representatives attended secret meetings with other companies, known internally as "glass meetings," in which they agreed to fix prices of CRTs. For example, the companies agreed to artificially restrict supply to keep prices high and share information with competitors regarding capacity, production, prices and customer demands for CRTs.

According to the lawsuit, conspirators split the glass meetings into three tiers: "top meetings" for high-level company executives, "management meetings" for mid-level managers, and "working-level meetings" for lower-level sales and marketing employees. Philips attended meetings at all three levels.

The lawsuit alleges the companies' scheme allowed them to keep CRT prices high, even as liquid crystal display, or LCD, screens were introduced to the market.

Until the late 2000s, CRTs were the primary technology for television screens and computer monitors. In 1999, CRT monitors accounted for over 90 percent of the retail market for computer monitors in

North America. The technology has largely fallen out of use in recent years, superseded by LCD screens. Philips no longer produces CRTs.

The Attorney General will retain a claims administrator to help with the distribution of the funds. Funds will be distributed after all cases are resolved. More details on the claims process will be announced when available.

This payment will bring the total paid so far by CRT manufacturers over their scheme to \$10.65 million. So far, five other conspirators have paid a total of \$3.65 million to Washington:

- LG, \$1.5 million
- Toshiba, \$1.3 million
- Panasonic, \$450,000
- Hitachi, \$275,000
- Chunghwa, \$125,000

The lawsuit is ongoing against Samsung, with a trial set for July 2019.

Antitrust Division Chief Jonathan Mark and Assistant Attorneys General Justin Wade, Neal Luna and Eric Newman are handling the case.

The Office of the Attorney General's Antitrust Division is responsible for enforcing the antitrust provisions of Washington's Unfair Business Practices-Consumer Protection Act. The division investigates and litigates complaints of anticompetitive conduct and reviews potentially anticompetitive mergers. The division also brings actions in federal court under the federal antitrust laws. It receives no general fund support, funding its own actions through recoveries made in other cases.

In 2016, the division recovered \$41 million for Washington consumers in its lawsuit over the LCD price-fixing scheme.

The Antitrust Division investigates complaints about potential anti-competitive activity. For information about filing a complaint, visit <https://fortress.wa.gov/atg/formhandler/ago/AntitrustComplaint.aspx>.