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Nearly \$40M total paid total by the seven companies involved in the conspiracy

**SEATTLE** — Attorney General Bob Ferguson today announced that Samsung, a multinational electronics company, will pay \$29 million as part of the Attorney General's price-fixing lawsuit against seven manufacturers of cathode ray tubes, or CRTs, a technology once ubiquitous in television screens and computer monitors.

Under the <u>consent decree</u>, filed in King County Superior Court, Samsung will pay \$29 million to resolve the Attorney General's price-fixing claims. This concludes the Attorney General's CRT price-fixing lawsuit. The seven companies involved in the conspiracy are paying Washington a total of \$39.65 million.

Ferguson will distribute the bulk of the money through a claims process for Washington consumers and state agencies that purchased CRTs during the conspiracy period.

<u>The lawsuit</u> alleges Samsung and other CRT manufacturers, including LG, Panasonic, Hitachi, Chungwha, Toshiba and Philips, 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.

"When powerful interests illegally conspire behind closed doors to drive up the cost of their products, Washingtonians lose out," Ferguson said. "We are returning the money back where it belongs: the pockets of Washingtonians."

All consumers who lived in Washington during the conspiracy period from 1995 to 2007 and purchased a CRT screen from a retailer may be eligible for a refund. Businesses headquartered in Washington during the conspiracy period may also be eligible.

The amount consumers and businesses could expect to receive will vary depending on the products purchased. The maximum is \$20 per CRT monitor and \$6 per CRT television, based on the amount the state asserts consumers were overcharged for each CRT device.

Ferguson expects to hire a claims administrator within the next several months, who will begin distributing funds in early 2019. All claims filed before then will be forwarded to the claims administrator, who may contact consumers for additional information.

## **Claims process**

To file a claim, eligible consumers must fill out a <u>claims form</u> and send it in via email or mail. Claims forms are available online or by calling 206-332-7080. Completed forms must be sent to <u>crtclaims@atg.wa.gov</u> or mailed to:

**CRT** Washington Claims

C/O Antitrust Division

Washington State Office of the Attorney General

800 Fifth Avenue, Suite 2000

Seattle, WA 98104

Consumers are not required to submit documentation when they file a claim. However, they may be asked to verify their claim during the claims audit process, especially for claims involving a significant number of purchases. This will happen later in the process, and not at the initial filing.

Consumers who do not have a current Washington address will be required to provide the Washington address where they lived at the time they bought the CRT products.

For questions about the claims process, please read these <u>frequently asked questions</u>, email <u>crtclaims@atg.wa.gov</u> or call 206-332-7080.

## Case background

Ferguson's lawsuit asserts Samsung 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 highlevel company executives, "management meetings" for mid-level managers, and "working-level meetings" for lower-level sales and marketing employees. Samsung attended meetings at all three levels.

In 2011, Samsung pleaded guilty to criminal price-fixing charges brought by the U.S. Department of Justice. Of the companies listed in Ferguson's lawsuit, Samsung was the only one to plead guilty to the CRT price-fixing conspiracy.

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. Samsung no longer produces CRTs.

This payment will bring the total paid by CRT manufacturers over their scheme to \$39.65 million. Six other conspirators paid a total of \$10.65 million to Washington:

- Philips, \$7 million
- LG, \$1.5 million
- <u>Toshiba</u>, <u>\$1.3 million</u>
- Panasonic, \$450,000
- Hitachi, \$275,000
- Chunghwa, \$125,000

A consent decree is a legally binding agreement that resolves a dispute between two parties in a lawsuit.

Antitrust Division Chief Jonathan Mark and Assistant Attorneys General Justin Wade, Neal Luna and Eric Newman worked on 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 <u>its lawsuit</u> over the LCD pricefixing scheme.

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

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The Office of the Attorney General is the chief legal office for the state of Washington with attorneys and staff in 27 divisions across the state providing legal services to roughly 200 state agencies, boards and commissions. Visit <u>www.atg.wa.gov</u> to learn more.

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