



**For Immediate Release**  
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## **STATES OBTAIN \$90 MILLION FOR CONSUMERS HARMED BY SEMICONDUCTOR PRICE-FIXING CONSPIRACY**

Chicago - Attorney General Lisa Madigan today announced a \$90 million nationwide settlement with Samsung Semiconductor, Inc. and Samsung Electronics Company Ltd. ("Samsung"), resolving allegations that Samsung, in conjunction with other major computer chip manufacturers, agreed to fix prices of Dynamic Random Access Memory (DRAM). Thirty-seven other state attorneys general joined in this settlement with Illinois.

If approved by the court, the proceeds of the settlement will be paid as restitution to the consumers and governmental agencies that paid more for computers, servers and other electronic devices because of price-fixing of DRAM chips. Under the settlement terms, Samsung also has agreed to strong injunctive relief that will require the company to refrain from conduct that could substantially lessen competition and to cooperate with the states in prosecuting co-conspirators. Additionally, the settlement includes up to \$1 million to reimburse the states for legal costs. Illinois consumers' share of the settlement will be determined at a later date.

"This settlement again underscores that companies who choose to conspire rather than compete will be called to account for their actions," said Illinois Attorney General Lisa Madigan. "Higher prices for the computer chips, which were the subject of this conspiracy, affect individuals, businesses and government agencies and the settlement we are announcing today is a first step toward remedying the significant injury caused by this price fixing."

Illinois and the other states continue to pursue a lawsuit in the U.S. District Court in San Francisco, seeking damages, restitution, civil penalties and injunctive relief for consumers and governmental agencies who paid higher prices for electronics from 1997-2002 as a result of alleged price-fixing by at least seven more companies including Elpida, Hynix, Infineon, Micron Technologies, Mosel Vitelic, Nanya and NEC. The states' suit arose from a multi-state investigation that began in 2004, following a federal criminal investigation that exposed a scheme where DRAM manufacturers profited at the expense of consumers in the computer and electronics industry.

The states' complaint lays out the details of the conspiracy, including an agreement by industry leaders to trim production to artificially raise prices. According to the states' complaint, the defendants violated federal and state antitrust laws by coordinating prices they charged for DRAM.

As background, in June 2002, the U.S. Department of Justice launched a criminal investigation into what officials have called “one of the largest cartels ever discovered.” Micron agreed to cooperate with investigators in exchange for amnesty from federal criminal charges. Samsung, Hynix, Infineon, Elpida and numerous individuals have pled guilty to federal criminal price-fixing charges and collectively paid more than \$730 million in fines.

In agreeing to today’s settlement, Samsung does not admit to a violation of the law.

The states participating in the lawsuit with Illinois include: Alaska, Arkansas, Arizona, California, Colorado, Delaware, Florida, Hawaii, Idaho, Kentucky, Iowa, Louisiana, Maine, Maryland, Massachusetts, Michigan, Minnesota, Mississippi, Nebraska, Nevada, New Jersey, New Mexico, North Carolina, North Dakota, Ohio, Oklahoma, Oregon, Pennsylvania, South Carolina, Tennessee, Texas, Utah, Vermont, Virginia, Washington, West Virginia and Wisconsin.

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