

1 Richard M. Heimann (State Bar No. 063607)
rheimann@lchb.com
2 LIEFF CABRASER HEIMANN & BERNSTEIN, LLP
275 Battery Street, 29th Floor
3 San Francisco, CA 94111-3339
Telephone: 415.956.1000
4 Facsimile: 415.956.1008

5 *Attorneys for Plaintiff*
Proview Technology Inc..

6 [Additional Counsel listed on signature page]
7

8 UNITED STATES DISTRICT COURT
9 NORTHERN DISTRICT OF CALIFORNIA
10 SAN FRANCISCO DIVISION

11
12 IN RE TFT-LCD (FLAT PANEL) ANTITRUST
LITIGATION

MDL No. 3:07-md-1827-SI

Case No. 3:12-cv-3802-SI

13 This Document Relates To:

14 PROVIEW TECHNOLOGY, INC., a California
15 corporation,

16 Plaintiff,

**THIRD AMENDED COMPLAINT
FOR DAMAGES AND
INJUNCTIVE RELIEF**

17 v.

JURY TRIAL DEMANDED

18 AU OPTRONICS CORPORATION; AU
19 OPTRONICS CORPORATION AMERICA, INC.;
20 CHI MEI CORPORATION; CHI MEI INNOLUX
CORPORATION; CHI MEI OPTOELECTRONICS
21 USA, INC.; CMO JAPAN CO. LTD.; NEXGEN
MEDIATECH, INC.; NEXGEN MEDIATECH
22 USA, INC.; LG DISPLAY CO. LTD; LG DISPLAY
AMERICA, INC.; SAMSUNG ELECTRONICS
23 AMERICA, INC.; SAMSUNG ELECTRONICS
CO. LTD; SAMSUNG SEMICONDUCTOR, INC.;
and HANNSTAR DISPLAY CORPORATION,

24 Defendants.
25
26
27
28

TABLE OF CONTENTS

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25
26
27
28

	Page
I. INTRODUCTION	1
II. JURISDICTION AND VENUE	2
III. PARTIES	4
A. Plaintiff.....	4
B. Defendants	6
1. AU Optronics	6
2. Chi Mei	7
3. LG Display.....	9
4. Samsung.....	11
5. Hannstar	12
C. Agents and Co-Conspirators	12
IV. FACTUAL ALLEGATIONS RE THE CONSPIRACY	13
A. TFT-LCD Panels.....	13
B. Structure of the TFT-LCD Panel Industry	13
C. The Market for TFT-LCD Panels	15
D. The Conspiracy	15
1. Early Conspiracy Meetings.....	17
2. Multilateral Conspiracy Meetings.....	18
3. Bilateral Conspiracy Meetings.....	20
4. Defendants’ Participation in Group and Bilateral Discussions.....	21
5. Market Conditions Demonstrating the Conspiracy.....	27
E. Government Investigations and Criminal Proceedings.....	30
F. Plaintiff’s Purchases and Injuries.....	31
V. TRADE AND COMMERCE AFFECTED BY CONSPIRACY.....	33
A. Defendants’ Conduct Involved Import Trade or Import Commerce	33
B. Defendants’ Conduct Had a Direct, Substantial, and Reasonably Foreseeable Effect on U.S. Domestic and Import Trade or Commerce that Gave Rise to Plaintiff’s Antitrust Claims	36
VI. FRAUDULENT CONCEALMENT	37
VII. TOLLING OF LIMITATIONS PERIODS	39
VIII. PTI is Not a Member of the Certified Direct or Indirect Classes.	42
IX. VIOLATIONS ALLEGED	42
X. PRAYER FOR RELIEF.....	47
XI. JURY TRIAL DEMAND	48

1 Plaintiff Proview Technology, Inc. (“PTI”) brings this action for damages and injunctive
2 relief under the antitrust laws of the United States, and under the antitrust and unfair competition
3 laws of California. Plaintiff alleges the following based on personal knowledge and publicly
4 available materials, including discovery and other materials from *In Re TFT-LCD (Flat Panel)*
5 *Antitrust Litigation*, 3:07-MD-1827-SI (N.D. Cal.), the U.S. Department of Justice website, the
6 public record of the criminal trial against AU Optronics Crop. and AU Optronics Corp. America,
7 other information regarding related criminal proceedings, the decision of the European
8 Commission in COMP/39.309-TFT-LCD-Liquid Crystal Displays, the findings of the Korean
9 Fair Trade Commission, and upon information and belief.

10 **I. INTRODUCTION**

11 1. Plaintiff brings this action to recover the damages it incurred as a result of a long-
12 running conspiracy by manufacturers of thin film transistor liquid crystal display panels (“TFT-
13 LCD Panels”). From at least January 1, 1996 through at least December 11, 2006 (“the
14 Conspiracy Period”), those manufacturers, which include Defendants and their co-conspirators,
15 conspired with the purpose and effect of fixing, raising, stabilizing, and maintaining prices for
16 TFT-LCD Panels.

17 2. Plaintiff purchases, imports, and resells TFT-LCD computer monitors, televisions
18 and other consumer electronics. During the Conspiracy Period, Plaintiff purchased TFT-LCD
19 computer monitors and televisions from its affiliated OEMs located in Asia, which it controls.
20 These monitors and televisions included TFT-LCD Panels purchased by the OEMs from
21 Defendants and their co-conspirators. As a result of Defendants’ and their co-conspirators’ illegal
22 conspiracy, Plaintiff paid artificially-inflated prices for these monitors and televisions, and was
23 thereby damaged, including overcharges and consequential damages.

24 3. At least seven TFT-LCD Panel manufacturers and their various employees,
25 including Defendants Chi Mei Optoelectronics Corporation, LG Display Co. Ltd. (together with
26 its wholly-owned subsidiary, LG Display America, Inc.), Sharp Corporation, Epson Imaging
27 Devices Corporation, Hitachi Displays, Ltd., and HannStar Display Corporation, have admitted in
28 criminal proceedings to participating in the conspiracy. On or about November 12, 2008, LG

1 Display Co. Ltd. (together with LG Display America, Inc.), and Sharp Corporation agreed to
2 plead guilty and pay a total of \$585 million in criminal fines for their roles in the conspiracy to fix
3 the price of TFT-LCD Panels. On or about March 10, 2009 Hitachi Displays, Ltd agreed to plead
4 guilty and pay a fine of \$31 million. On or about August 25, 2009, Epson Imaging Devices
5 Corporation agreed to plead guilty and pay a \$26 million fine for its role in the conspiracy. On or
6 about December 9, 2009, Chi Mei Optoelectronics Corporation agreed to plead guilty and pay a
7 \$220 million fine for its role in the conspiracy. And on or about June 29, 2010, HannStar Display
8 Corporation agreed to plead guilty and pay a \$30 million fine for its role in the conspiracy. As
9 part of their guilty pleas, each Defendant and their respective employees have admitted that their
10 acts in furtherance of the conspiracy were carried out in California.

11 4. On March 13, 2012 a jury in this District found Defendants AU Optronics
12 Corporation and, its U.S. subsidiary, AU Optronics Corporation America, Inc. guilty of criminal
13 price fixing for its participation in the conspiracy.

14 **II. JURISDICTION AND VENUE**

15 5. Plaintiff brings this action under Section 1 of the Sherman Act, 15 U.S.C. § 1, and
16 Sections 4 and 16 of the Clayton Act, 15 U.S.C. §§ 15 and 26, for treble damages and injunctive
17 relief.

18 6. PTI also brings this action pursuant to the California Cartwright Act and the
19 California Unfair Competition Law for injunctive relief, damages, and restitution.

20 7. This Court has jurisdiction under 28 U.S.C. §§ 1331 and 1337 over Plaintiff's
21 claims arising under Section 1 of the Sherman Act and Sections 4 and 16 of the Clayton Act. In
22 addition, this Court has supplemental jurisdiction over PTI's claims arising under California law
23 under 28 U.S.C. § 1367. PTI's state law claims are so related to its claims under the federal
24 antitrust laws that they form part of the same case or controversy.

25 8. The activities of Defendants and their co-conspirators, as described herein,
26 involved U.S. import trade or commerce and/or were within the flow of, were intended to, and did
27 have a direct, substantial, and reasonably foreseeable effect on United States domestic and import
28

1 trade or commerce, as well as on commerce in California. That effect gave rise to Plaintiff's
2 antitrust claims.

3 9. This Court has jurisdiction over each Defendant named in this action under both
4 Section 12 of the Clayton Act, 15 U.S.C. § 22, and Cal. Civ. Code § 410.10. The activities of
5 Defendants and their co-conspirators, as described herein, were within the flow of, were intended
6 to, and did have a direct and substantial effect on commerce in California. In particular,
7 Defendants' and their co-conspirators' conspiracy directly and substantially affected the price of
8 TFT-LCD Panels purchased by Plaintiff. These effects also give rise to Plaintiff's antitrust claims.

9 10. Plaintiff maintained its headquarters in California during and after the Conspiracy
10 Period. Each Defendant conducts substantial business in the state of California. Defendants LG
11 Chi Mei, and HannStar have admitted in plea agreements that acts in furtherance of the
12 conspiracy were carried out in California.

13 11. In addition, Defendants all purposefully availed themselves of the laws of the
14 United States and California by manufacturing TFT-LCD Panels for sale in the United States and
15 California. Several Defendants have admitted that they engaged in conduct in furtherance of the
16 conspiracy in the Northern District of California.

17 12. Venue is proper in this District under Section 12 of the Clayton Act, 15 U.S.C.
18 § 22 and 28 U.S.C. § 1391 because each Defendant is either an alien corporation, transacts
19 business in this District, or is otherwise found within this District. In addition, venue is proper in
20 this District under 28 U.S.C. § 1391 because a substantial part of the events or admissions giving
21 rise to this claim occurred in this district. Defendants and their co-conspirators knew that price-
22 fixed TFT-LCD Panels would be sold and shipped into this District.

23 13. This action concerns substantially the same parties, transactions, and events as *In*
24 *re TFT-LCD Antitrust Litigation*, Case No. M:07-cv-1827 SI insofar as it involves a suit for
25 damages and injunctive relief arising out of Defendants' and their co-conspirators' conspiracy to
26 fix the price of liquid crystal display panels in violation of the Sherman Act and the laws of
27 California. Pursuant to Pretrial Order #1 in M:07-cv-1827 SI, this case should be consolidated
28 with M:07-cv-1827 SI for all pretrial proceedings without any further motion or order.

1 14. Defendants' conduct in the United States was centered in California, including
2 conduct directed in particular towards major California-based customers such as Apple, Compaq,
3 HP, and PTI. Through their California operations, Defendants implemented their price-fixing
4 conspiracy in the United States. Defendants Chi Mei, LG, and HannStar, and co-conspirators
5 Hitachi, Sharp, Epson, and Chunghwa have all admitted as part of their criminal cases that acts in
6 furtherance of the conspiracy were carried out in California.

7 15. Defendants engaged in and implemented their conspiracy in the United States
8 through the offices they maintained in California. Defendants' employees in their California
9 offices engaged in communications and meetings with other defendants to exchange price and
10 supply information and reach agreements regarding TFT-LCD Panel prices to be charged to their
11 customers in the United States and elsewhere. Defendants' employees in California also received
12 information from their counterparts elsewhere regarding the substance of Defendants' agreements
13 with respect to TFT-LCD Panel prices and supply, and were instructed to use this information in
14 the course of price negotiations with customers in the United States. Defendants' California
15 offices were thus the means through which they implemented their conspiracy in the United
16 States. Through their activities in California, Defendants successfully increased the prices of
17 TFT-LCD Panels.

18 **III. PARTIES**

19 **A. Plaintiff**

20 16. Plaintiff Proview Technology, Inc. is a California corporation with its headquarters
21 in California. During the Conspiracy Period, PTI indirectly purchased from Defendants
22 substantial amounts of TFT-LCD Panels through a continuous chain with its affiliated and
23 controlled Original Equipment Manufacturers ("OEMs") for resale to retailers and others
24 throughout the United States. During the Conspiracy Period, PTI maintained offices in
25 California, Florida, New Jersey, Illinois and Texas and coordinated and conducted its panel
26 ordering with Defendants from its offices in California. Through its United States-based order
27 planning process, PTI instructed its affiliated OEMs in Taiwan and China to directly purchase
28 TFT-LCD Panels for delivery in Asia and manufacture into TFT-LCD products for PTI to

1 subsequently purchase and import into the United States through California ports and resell to
2 U.S.-based customers such as Best Buy, Office Depot, Circuit City, and Wal-Mart. PTI was the
3 nerve center for all U.S. sales of Proview TFT-LCD Products and controlled the panel purchases
4 made by its affiliated Proview OEMS in Asia. PTI sales agreements with customers were
5 routinely made simultaneously with, and dependent upon, the Proview OEM's purchase of TFT-
6 LCD panels from Defendants. When PTI instructed the Proview OEMs to buy panels from
7 Defendants, Defendants knew which U.S. customers' order PTI was filling. The panel prices
8 secured for PTI's orders were binding on the Proview OEMs. As a result of Defendants' and
9 their co-conspirators' illegal conspiracy, PTI was injured in its business and property because the
10 prices it paid for TFT-LCD computers, monitors and other products were artificially inflated by
11 that conspiracy.

12 17. Proview Technology (Shenzhen) Co., Ltd. ("PTS"); Proview Group (Labuan) Ltd
13 ("PGL"); Proview Optronics (Shenzhen) Co., Ltd. ("POS"), Proview Electronics Co., Ltd.
14 ("PE"), Essex Monitor (H.K.) Company, Ltd., and Proview Technology (Wuhan) Co., Ltd.
15 ("PTW") are PTI's affiliated OEMs and agents based in Taiwan and China.
16 PTS/PGL/PE/POS/PTW/Essex are collectively referred to as the "Proview OEMs." During the
17 Conspiracy Period, PTI controlled the Proview OEMs' direct purchase in Asia of substantial
18 amounts of TFT-LCD Panels from Defendants, their co-conspirators, and others at artificially
19 inflated prices.

20 18. PTI was founded by Rowell Yang in 1996 and incorporated in California to serve
21 the United States market for Proview's global computer monitor business. During the Conspiracy
22 Period, Rowell Yang was CEO and a Director of PTI, as well as the CEO and/or Director of the
23 Proview OEMs and controlled both PTI and the Proview OEMs. Throughout the Conspiracy
24 Period, Employees and agents of PTI were authorized to act on behalf the Proview OEMs and
25 vice versa in contracting with Defendants.

26 19. The U.S. market was the largest and most important market for Proview. PTI
27 controlled all U.S. market operations and production for Proview and through its interlocking
28

1 directorship with the Proview OEMs, had the complete power and authority, including over
2 pricing, to guide and manage the Proview OEMs' purchase of TFT-LCD Panels in Asia.

3 **B. Defendants**

4 **1. AU Optronics**

5 20. Defendant AU Optronics Corporation is a Taiwanese company and one of the
6 world's largest manufacturers of TFT-LCD Panels with its corporate headquarters at No.1, Li-
7 Hsin Rd. 2, Hsinchu Science Park, Hsinchu 30078, Taiwan. During the Conspiracy Period, this
8 Defendant manufactured, marketed, sold and/or distributed TFT-LCD Panels that were
9 incorporated into TFT-LCD products sold throughout the United States and the world.

10 21. Defendant AU Optronics Corporation America, Inc. is a wholly owned and
11 controlled subsidiary of Defendant AU Optronics Corporation with its corporate headquarters at
12 9720 Cypresswood Drive, Suite 241, Houston, Texas and facilities located in San Diego and
13 Cupertino, California. During the Conspiracy Period, this Defendant marketed, sold and/or
14 distributed TFT-LCD Panels that were incorporated into TFT-LCD products sold throughout the
15 United States and the world.

16 22. Defendants AU Optronics Corporation and AU Optronics Corporation America,
17 Inc. are referred to collectively herein as "AU Optronics." The AU Optronics companies were
18 members of the conspiracy that is the subject of this Complaint by virtue of their participation in
19 the conspiracy through the actions of their respective officers, employees, and representatives
20 acting with actual or apparent authority. Alternatively, Defendant AU Optronics Corporation
21 America, Inc. was a member of the conspiracy by virtue of its status during the Conspiracy Period
22 as the alter ego or agent of AU Optronics Corporation. AU Optronics Corporation dominated or
23 controlled AU Optronics Corporation America, Inc. regarding conspiracy activities and used that
24 domination or control to cause artificially high prices for TFT-LCD Panels and TFT-LCD
25 Products.

26 23. AU Optronics Corp. and AUOA effectively operated as a single firm, including
27 with respect to the conspiracy. AU Optronics employees who fixed prices with competitors in
28

1 Taiwan “rotated” to AUOA’s Cupertino facility and continued to carry out the conspiracy. These
2 employees included Evan Huang.

3 24. From its headquarters in California, PTI controlled the Proview OEM’s purchase
4 of panels from AU Optronics during the Conspiracy Period.

5 25. In California, in furtherance of the conspiracy, AUOA California-based employee
6 Evan Huang and Chi Mei USA’s Eric Raymond discussed LCD panel prices and attempts to
7 “align . . . to defense cost reduction pressure.” Messrs. Huang and Raymond had telephone calls
8 and met in or around Mr. Huang’s AUO office in Cupertino, CA.

9 26. In California, in furtherance of the conspiracy, AUOA’s Huang reported to his
10 superiors pricing and other competitive information he gathered from a “CMO [Chi Mei] Sales
11 person.”

12 27. In 2012, AU Optronics was charged with and convicted of carrying out acts,
13 including acts carried out in the Northern District of California, in furtherance of a criminal
14 conspiracy to fix prices in the TFT-LCD market and in which Proview was specifically identified
15 as a victim.

16 2. Chi Mei

17 28. Defendant Chi Mei Corporation (f/k/a Chi Mei Optoelectronics Corp.) is another
18 of the world’s largest manufacturers of TFT-LCD Panels with its corporate headquarters at No.
19 11-2, Jen Te 4th St., Jen Te Village, Jen Te, Tainan 717, Taiwan. During the Conspiracy Period,
20 this Defendant manufactured, marketed, sold and/or distributed TFT-LCD Panels that were
21 incorporated into TFT-LCD products sold throughout the United States and the world.

22 29. Defendant Chimei Innolux Corporation is another of the world’s largest
23 manufacturers of TFT-LCD Panels, with its principal place of business located at No. 160 Kesyue
24 Rd., Chu-Nan Site, Hsinchu Science Park Chu-Nan, Miao-Li, Taiwan. During the Conspiracy
25 Period, this Defendant manufactured, marketed, sold and/or distributed TFT-LCD Panels to
26 customers throughout the United States and the world.

27 30. Defendant Chi Mei Optoelectronics USA, Inc., f/k/a International Display
28 Technology USA, Inc., is a wholly owned and controlled subsidiary of Chi Mei Corporation with

1 its corporate headquarters at 101 Metro Drive Suite 510, San Jose, California. During the
2 Conspiracy Period, said Defendant manufactured, marketed, sold and/or distributed TFT-LCD
3 Panels that were incorporated into TFT-LCD Products sold throughout the United States and the
4 world.

5 31. Defendant CMO Japan Co., Ltd., f/k/a International Display Technology, Ltd., is a
6 subsidiary of Chi Mei Corporation with its principal place of business located at Nansei Yaesu
7 Bldg. 4F, 2-2-10 Yaesu, Chuo-Ku, Tokyo 104-0028, Japan. During the Conspiracy Period, said
8 Defendant manufactured, marketed, sold and/or distributed TFT-LCD Panels that were
9 incorporated into TFT-LCD Products sold throughout the United States and the world.

10 32. Defendant Nexgen Mediatech, Inc. is a wholly owned and controlled subsidiary of
11 Chi Mei Corporation with its principal place of business at No. 11-2, Jen Te 4th St., Jen Te
12 Village Jen Te, Tainan 717, Taiwan. During the Conspiracy Period, said Defendant marketed,
13 sold and/or distributed TFT-LCD products containing TFT-LCD Panels manufactured by Chimei
14 Innolux Corporation throughout the United States and the world.

15 33. Defendant Nexgen Mediatech USA, Inc. is a wholly owned and controlled
16 subsidiary of Chi Mei Corporation with its principal place of business at 16712 East Johnson
17 Drive, City of Industry, California. During the Conspiracy Period, said Defendant marketed,
18 sold, and/or distributed TFT-LCD Products containing TFT-LCD Panels manufactured by Chi
19 Mei Optoelectronics Corporation in the United States.

20 34. Defendants Chi Mei Corporation, Chimei Innolux Corporation, Chi Mei
21 Optoelectronics USA, Inc., CMO Japan Co., Ltd., Nexgen Mediatech, Inc., and Nexgen
22 Mediatech USA, Inc. are referred to collectively herein as "Chi Mei." The Chi Mei companies
23 were members of the conspiracy that is the subject of this Complaint by virtue of their
24 participation in the conspiracy through the actions of their respective officers, employees, and
25 representatives acting with actual or apparent authority. Alternatively, Defendants Chi Mei
26 Innolux Corporation, Chi Mei Optoelectronics USA, Inc., CMO Japan Co., Ltd., Nexgen
27 Mediatech, Inc., and Nexgen Mediatech USA, Inc. were members of the conspiracy by virtue of
28 their status during the Conspiracy Period as the alter egos or agents of Chi Mei Corporation. Chi

1 Mei Corporation dominated or controlled Chi Mei Innolux Corporation, Chi Mei Optoelectronics
2 USA, Inc., CMO Japan Co., Ltd., Nexgen Mediatech, Inc., and Nexgen Mediatech USA, Inc.
3 regarding conspiracy activities and used that domination or control to cause artificially high
4 prices for TFT-LCD Panels and TFT-LCD Products.

5 35. From its headquarters in California, PTI controlled the Proview OEM's purchase
6 of panels from Chi Mei during the Conspiracy Period.

7 36. In California, in furtherance of the conspiracy, Chi Mei's Edward Hung directed
8 California-based Chi Mei USA employee Eric Raymond to "approach LG guy" in part to "talk
9 with LG person to raise up the price before submit pricing to Apple."

10 37. In California, in furtherance of the conspiracy, Chi Mei USA's Raymond met with
11 various representatives of LG Display and AUO, including AUOA California-based employee
12 Evan Huang. Messrs. Raymond and Huang discussed LCD panel prices and attempts to "align . .
13 . to defense cost reduction pressure."

14 38. In California, in furtherance of the conspiracy, Chi Mei USA's Raymond reported
15 to his superiors pricing and other competitive information he gathered.

16 39. In 2009, Chi Mei admitted to carrying out acts in the Northern District of
17 California in furtherance of a criminal conspiracy to fix prices in the TFT-LCD market.

18 40. In 2009, Chi Mei executives Jau-Yang "J.Y." Ho and Chu-Hsiang "James" Yang
19 admitted in guilty pleas to carrying out acts in the Northern District of California in furtherance of
20 a criminal conspiracy to fix prices in the TFT-LCD market. At multiple times during the
21 Conspiracy Period, PTI employees and officers based in California discussed panel prices with
22 James Yang. On some occasions James Yang was physically present in the United States for
23 these discussions with PTI.

24 **3. LG Display**

25 41. Defendant LG Display Co., Ltd., f/k/a LG Phillips TFT-LCD Co., Ltd., f/k/a LG
26 Electronics TFT-LCD Co. Ltd., is a leading manufacturer of TFT-LCD Panels and is a joint
27 venture created in July 1999 by Royal Phillips Electronics NV and LG Electronics, Inc. LG
28 Display Co., Ltd. maintains offices in San Jose, California, and has its principal place of business

1 at 20 Yoido-dong, Youngdungpo-gu, Seoul, 150-72 1, Republic of Korea. During the Conspiracy
2 Period, said Defendant manufactured, marketed, sold and/or distributed TFT-LCD Panels that
3 were incorporated into TFT-LCD Products sold throughout the United States and the world.

4 42. Defendant LG Display America, Inc., f/k/a LG Phillips TFT-LCD America, Inc., is
5 located at 150 East Brokaw Rd., San Jose, California. During the Conspiracy Period, said
6 Defendant manufactured, marketed, sold and/or distributed TFT-LCD Panels that were
7 incorporated into TFT-LCD products sold throughout the United States and the world.

8 43. Defendants LG Display Co., Ltd., f/k/a LG Phillips TFT-LCD Co., Ltd., f/k/a LG
9 Electronics TFT-LCD Co. Ltd and LG Display America, Inc., f/k/a LG Phillips TFT-LCD
10 America, Inc are referred to collectively herein as “LG Display.” The LG Display companies
11 were members of the conspiracy that is the subject of this Complaint by virtue of their
12 participation in the conspiracy through the actions of their respective officers, employees, and
13 representatives acting with actual or apparent authority. Alternatively, Defendant LG Display
14 America, Inc. was a member of the conspiracy by virtue of its status during the Conspiracy Period
15 as the alter ego or agent of LG Display Co., Ltd. LG Display Co., Ltd. dominated or controlled
16 LG Display America, Inc. regarding conspiracy activities and used that domination or control to
17 cause artificially high prices for TFT-LCD Panels and TFT-LCD Products.

18 44. LG Display Co., Ltd. and LG Display America, Inc. effectively operated as a
19 single firm.

20 45. From its headquarters in California, PTI controlled the Proview OEM’s purchase
21 of panels from LG during the Conspiracy Period.

22 46. In California, in furtherance of the conspiracy, LG Display America, Inc.
23 employees located in San Jose communicated with American counterparts at other firms about
24 prices of TFT-LCD Panels and then relayed this information back to their superiors in Korea. For
25 example, in furtherance of the conspiracy, LG Display America, Inc. employee Breffni
26 O’Donovan had ongoing telephone conversations with Samsung employee Michael Hanson. LG
27 Display America, Inc. employees also implemented the unlawfully fixed prices to customers
28 located in California and the United States.

1 47. In California, in furtherance of the conspiracy, California-based LG Display
2 America employee Davis Lee communicated price quotes which referenced an agreement reached
3 with Samsung regarding HP-Compaq pricing.

4 48. In California, in furtherance of the conspiracy, Chi Mei's Edward Hung directed
5 California-based Chi Mei USA employee Eric Raymond to "approach LG guy" in part to "talk
6 with LG person to raise up the price before submit pricing to Apple."

7 49. In 2008, LG admitted to carrying out acts in the Northern District of California in
8 furtherance of a criminal conspiracy to fix prices in the TFT-LCD market.

9 **4. Samsung**

10 50. Defendant Samsung Electronics Co., Ltd. is located at Samsung Main Building,
11 250-2 ga, Taepyung-ro Chung-gu, Seoul, Republic of Korea. During the Conspiracy Period, this
12 Defendant manufactured, marketed, sold and/or distributed TFT-LCD Panels throughout the
13 United States and the world.

14 51. Defendant Samsung Electronics America, Inc. is a wholly-owned and controlled
15 subsidiary of Defendant Samsung Electronics Company, Ltd. with its principal place of business
16 at 105 Challenger Road, Ridgefield Park, New Jersey. During the Conspiracy period, said
17 Defendant manufactured, marketed, sold and/or distributed TFT-LCD Panels throughout the
18 United States and the world.

19 52. Defendant Samsung Semiconductor, Inc. is a wholly-owned and controlled
20 subsidiary of Defendant Samsung Electronics Co., Ltd. with its principal place of business at
21 3655 North First Street, San Jose, California. During the Conspiracy Period, said Defendant
22 manufactured, marketed, sold and/or distributed TFT-LCD Panels throughout the United States
23 and the world.

24 53. Defendants Samsung Electronics Co., Ltd., Samsung Electronics America, Inc.,
25 and Samsung Semiconductor, Inc. are referred to collectively herein as "Samsung." The
26 Samsung companies were members of the conspiracy that is the subject of this Complaint by
27 virtue of their participation in the conspiracy through the actions of their respective officers,
28 employees, and representatives acting with actual or apparent authority. Alternatively,

1 Defendants Samsung Electronics America, Inc. and Samsung Semiconductor, Inc. were members
2 of the conspiracy by virtue of their status during the Conspiracy Period as the alter egos or agents
3 of Samsung Electronics Co., Ltd. Samsung Electronics Co., Ltd. dominated or controlled
4 Samsung Electronics America, Inc. and Samsung Semiconductor, Inc. regarding conspiracy
5 activities and used that domination or control to cause artificially high prices for TFT-LCD
6 Panels.

7 54. From its headquarters in California, PTI controlled the Proview OEM's purchase
8 of panels from Samsung during the Conspiracy Period.

9 55. In California, in furtherance of the conspiracy, California-based Samsung
10 Semiconductor, Inc. employee Jason Yun obtained information from Samsung regarding prices
11 Sharp charged Motorola. For his part, between at least 2003 and 2004, Mr. Yun met with
12 Samsung's TFT-LCD competitors in California and forwarded competitive information to
13 Samsung in Korea so that Samsung could make pricing decisions. Samsung employees
14 recognized Mr. Yun for his "intelligence gathering."

15 5. HannStar

16 56. Defendant HannStar Display Corporation (HannStar) is a Taiwanese company
17 with its principal place of business at No. 480, Rueiguang Rd, 12th Floor, Neihu Chiu, Taipei
18 114, Taiwan. HannStar has been in the business of manufacturing and selling TFT-LCD Panels
19 since 1998.

20 57. From its headquarters in California, PTI controlled the Proview OEM's purchase
21 of panels from HannStar during the Conspiracy Period.

22 58. In 2010, HannStar admitted to carrying out acts in the Northern District of
23 California in furtherance of a criminal conspiracy to fix prices in the TFT-LCD market.

24 C. Agents and Co-Conspirators

25 59. The actions in this Complaint were authorized, ordered, or done by the
26 Defendants' respective officers, agents, employees, or representatives while actively engaged in
27 the management of each Defendant's business or affairs.
28

1 60. Each Defendant acted as the agent or joint venturer of or for the other Defendants
2 with respect to the acts, violations and common course of conduct alleged herein. Each Defendant
3 that is a subsidiary of a foreign parent acts as the United States agent for TFT-LCD Panels and/or
4 TFT-LCD Products manufactured by its parent company.

5 61. Various persons and entities participated as co-conspirators in the violations
6 alleged herein and performed acts and made statements in furtherance thereof. These co-
7 conspirators are believed to include, without limitation, Hitachi Ltd., Hitachi Displays, Ltd.,
8 Hitachi Electronic Devices (USA), LG Electronics, Inc., LG Electronics USA, Inc., Hydis
9 Technologies Co., Ltd., IPS Alpha Technology, Ltd., Mitsubishi Electric Corporation, NEC
10 Corporation, NEC TFT-LCD Technologies, Ltd., Renesas Electronics America (collectively NEC
11 Corporation, NEC TFT-LCD Technologies and Renesas are referred to as “NEC”), Samsung SDI
12 Co., Ltd., Samsung SDI America, Inc. (collectively “Samsung SDI”), Sanyo Consumer
13 Electronics Co., Ltd., Sanyo Electric Co., Ltd. (collectively “Sanyo”), and Mitsui & Co., Ltd.

14 **IV. FACTUAL ALLEGATIONS RE THE CONSPIRACY**

15 **A. TFT-LCD Panels**

16 62. TFT-LCD Panels are utilized in televisions, desktop computer monitors, laptop
17 computers, mobile wireless handsets, digital cameras, and numerous other electronic devices.
18 TFT-LCD Panels were the principal form of display screen used in televisions, desktop computer
19 monitors, laptop computers, and mobile wireless handsets during the Conspiracy Period.

20 63. TFT-LCD Panels use liquid crystal to control the passage of light. More
21 specifically, a TFT-LCD Panel is made of two glass sheets sandwiching a layer of liquid crystal.
22 When voltage is applied, the liquid crystal is realigned, allowing light to pass through to form a
23 pixel. The combination of these pixels forms an image on the TFT-LCD Panel.

24 **B. Structure of the TFT-LCD Panel Industry**

25 64. The TFT-LCD Panel industry has several characteristics that facilitated a
26 conspiracy to fix prices, including high concentration, significant barriers to entry, homogeneity
27 of products, consolidation, multiple interrelated business relationships and ease of information
28 sharing.

1 65. The TFT-LCD Panel industry is highly concentrated and thus conducive to
2 collusion. Defendants are some of the top global manufacturers of TFT-LCD Panels. Throughout
3 the Conspiracy Period, Defendants and their co-conspirators collectively controlled a significant
4 share of the market for TFT-LCD Panels, both globally and in the United States.

5 66. The TFT-LCD Panel industry is characterized by high barriers to entry. New
6 fabrication (“fab”) plants can cost upwards of \$2 to \$3 billion, and rapidly evolving technology
7 and intellectual property requirements necessitate constant research, development, and
8 investment. Thus, few firms can enter the market for the production and sale of TFT-LCD Panels
9 without an enormous capital investment and the industry has experienced significant
10 consolidation during the Conspiracy Period.

11 67. TFT-LCD Panels are manufactured to standard sizes, regardless of manufacturer.
12 The manufacture of standard panel sizes for TFT-LCD products across the TFT-LCD Panel
13 industry facilitates price transparency in the market for TFT-LCD Panels and enables TFT-LCD
14 Panel manufacturers to monitor and analyze TFT-LCD Panel prices and thus enables them to
15 enforce their conspiracy.

16 68. Additional opportunities for collusive activity are presented by the many joint
17 ventures, cross-licenses, and other cooperative arrangements in the TFT-LCD Panel industry.
18 Using the otherwise legitimate cover of joint ventures, cross licenses, and other cooperative
19 arrangements, Defendants and their co-conspirators implemented and policed their illegitimate
20 agreements to fix prices and limit output for TFT-LCD Panels through the numerous meetings
21 described herein.

22 69. There were many opportunities for Defendants and their co-conspirators to discuss
23 and exchange competitively-sensitive information with their common membership in trade
24 associations, interrelated business arrangements such as joint ventures, allegiances between
25 companies in certain countries, and relationships between the executives of certain companies.
26 Communication between the conspirators was facilitated by the use of meetings, telephone calls,
27 e-mails, and instant messages. Defendants and their co-conspirators took advantage of these
28

1 opportunities to discuss and agree upon their pricing of TFT-LCD Panels and to monitor each
2 other's compliance with their agreement.

3 **C. The Market for TFT-LCD Panels**

4 70. TFT-LCD Panels have no independent utility, and have value only as components
5 of TFT-LCD products. The demand for TFT-LCD Panels thus derives directly from the demand
6 for such TFT-LCD products.

7 71. The market for TFT-LCD Panels and the markets for TFT-LCD products are
8 inextricably linked because the TFT-LCD Panel market exists to serve the markets for TFT-LCD
9 Products. The market for TFT-LCD Panels and the markets for TFT-LCD Products are, for all
10 intents and purposes, inseparable in that one would not exist without the other.

11 72. During the Conspiracy Period, the Defendants were aware that the U.S. market for
12 TFT-LCD Products was one of the largest in the world. Defendants regularly solicited updated
13 information from potential purchasers of TFT-LCD Panels about the type and quantity of TFT-
14 LCD Panels needed for the manufacture of TFT-LCD products for sale in the U.S. Defendants
15 maintained sales offices and sales agents in the U.S. to market their TFT-LCD Panel
16 manufacturing capabilities to U.S. companies and to support their U.S. customers throughout the
17 duration of the purchasing relationship.

18 **D. The Conspiracy**

19 73. Beginning at a date as yet unknown to Plaintiff, but at least as early as January 1,
20 1996, and continuing thereafter up to and including at least December 31, 2006, Defendants and
21 their co-conspirators agreed, combined, and conspired to raise, maintain, and stabilize at artificial
22 levels the prices at which TFT-LCD Panels were sold.

23 74. Defendants, through their officers, directors and employees, effectuated a contract,
24 combination, trust, or conspiracy between themselves and their co-conspirators by, among other
25 things: participating in meetings and conversations to discuss the prices and supply of TFT-LCD
26 Panels in the United States and elsewhere; agreeing to fix the prices and limit the supply of TFT-
27 LCD Panels sold in the United States and elsewhere in a manner that deprived Plaintiff of free
28 and open competition as purchasers; issuing price announcements and quotations in accordance

1 with the agreements reached; and selling TFT-LCD Panels to Plaintiff at fixed, non-competitive
2 prices.

3 75. The TFT-LCD Panel conspiracy alleged herein was effectuated through a
4 combination of group and bilateral discussions that took place in Japan, South Korea, Taiwan,
5 Europe and the United States.

6 76. Defendants fostered a culture of corruption within their companies whereby
7 employees at every level - from the very top executive all the way to lower-level sales
8 representatives - engaged in frequent and continuous communications with the employees at
9 every level of their competitors. Senior executives at Defendants made it clear to their
10 subordinates that they were required to engage in these illegal exchanges of supply, production,
11 and pricing information as a part of their employment. The lower-level employees funneled the
12 competitive information up to their superiors who utilized that information - along with the
13 pricing information they, themselves, were able to collect through their own illegal competitor
14 contacts - to set prices for TFT-LCD Panels at artificially-inflated levels. The constant
15 communications between Defendants at all levels allowed Defendants to conspire to set average
16 prices across the entire industry, as well as conspiring to fix the prices of the particular TFT-LCD
17 Panels purchased by Plaintiff.

18 77. For example, Michael Hanson of Samsung agreed to fix prices for TFT-LCD
19 Panels with his counterparts at competitor companies LG Display, Toshiba, Sharp, and AU
20 Optronics. They met at restaurants and bars in the U.S. and communicated by phone; Mr. Hanson
21 had over 500 telephone calls with counterparts at competitor TFT-LCD Panel suppliers.

22 78. The competitive information these individuals learned from their counterparts was
23 passed along to their superiors in the U.S. and Asia for use in setting the TFT-LCD Panel prices
24 charged to Defendants customers. These communications in the U.S. were meant to advance the
25 conspiracy's presence in and control over the U.S. market.

26 79. Many of the Defendants' conspiracy meetings and conspiracy communications
27 took place in the U.S., involved the U.S. affiliates of the Defendants, and directly targeted U.S.
28 import commerce. Defendants' conspiratorial conduct also included discussions in South Korea

1 and Taiwan in which they agreed to illegally increase the prices of TFT-LCD Panels sold in the
2 United States and around the world. Defendants' conspiratorial acts in Asia were a necessary and
3 integral part of the conspiracy to increase the price of TFT-LCD Panels and TFT-LCD products
4 in the U.S. market.

5 80. This culture of corruption permeated Defendants' U.S. operations and sales. In
6 fact, the top sales executive at Defendants' Asian headquarters instructed their direct reports in
7 the United States to obtain competitive information from their counterparts at other TFT-LCD
8 Panel suppliers in the United States. That information was ultimately used by those top sales
9 executives to set artificially-inflated prices for TFT-LCD Panels charged to U.S. customers and
10 foreign OEMs.

11 **1. Early Conspiracy Meetings**

12 81. In the early years, beginning in at least 1996, representatives of the Japanese-based
13 conspirators, such as Sharp and Toshiba, met and agreed to fix prices for TFT-LCD Panels
14 generally, as well as to specific OEMs. They also agreed to limit the amount of TFT-LCD Panels
15 each would produce.

16 82. In early 1998, H.S. Kim of Samsung attended a vendor conference where it was
17 suggested that TFT-LCD competitors should "get together." Later that year, high level
18 representatives from various TFT-LCD manufacturers, including Defendants, met to discuss
19 projected sales volumes. Mr. Kim testified that these representatives played golf in Taipei and
20 probably discussed the "business forecast." The companies agreed that they needed additional
21 meetings to head off the projected higher level of competition between the companies. Samsung
22 has admitted that Mr. Kim attended a golf and lunch event in Taiwan where competitors
23 discussed projected sales volumes for the upcoming period.

24 83. Representatives from Samsung, LG and other competitors met later in 1998 to
25 discuss projected sales plans to limit competition between them. Samsung has admitted that Mr.
26 Kim of Samsung attended a meeting at the Holiday Inn in Taipei with representatives of various
27 competitors where they discussed projected sales volumes.
28

1 84. Beginning in 1999, high level representatives of Samsung met with counterparts at
2 LG and other companies to discuss pricing trends and other aspects of the TFT-LCD Panel
3 market.

4 85. As TFT-LCD Panel production in South Korea began to increase and become
5 more sophisticated, the Japanese-based Defendants expanded their meetings to include their
6 South Korean- based competitors, including Defendants LG Display and Samsung, which also
7 agreed to fix prices and control supply.

8 **2. Multilateral Conspiracy Meetings**

9 86. In early 2001, high-level employees of at least two large manufacturers of TFT-
10 LCD Panels met in person and agreed to engage in periodic meetings to exchange sensitive
11 competitive information and to fix the price of TFT-LCD Panels and limit their production. From
12 early 2001 through at least 2006, officials from Samsung, AU Optronics, Chi Mei, HannStar, LG
13 Display, and Sharp, met periodically in Taiwan to discuss and reach agreements on TFT-LCD
14 Panel prices, price increases, production, and production capacity, and did in fact reach
15 agreements increasing, maintaining, and/or fixing TFT-LCD Panel prices and limiting their
16 production. The group meetings these Defendants participated in were called “Crystal Meetings.”
17 Each Defendant attended multiple meetings with one or more of the other Defendants or co-
18 conspirators during this period. The Crystal Meetings occurred in Taiwan. Other similar meetings
19 took place in South Korea, Japan, and the United States on a regular basis throughout this period.

20 87. The Crystal Meetings were highly organized and followed a set pattern. Meetings
21 among Defendants’ high-level executives were called “CEO” or “Top” meetings; while those
22 among Defendants’ vice presidents and senior sales executives were called “Commercial” or
23 “Operational” meetings. As described below, the conspiracy also included “Working Level”
24 meetings and communications.

25 88. The “CEO” meetings occurred quarterly from approximately 2001 to 2002. The
26 purpose and effect of these meetings was to stabilize or raise TFT-LCD Panel prices. Each
27 meeting followed the same general pattern, with a rotating designated “chairman” who would use
28 a projector or whiteboard to show the participants figures relating to the supply, demand,

1 production, and prices of TFT-LCD Panels for the group to review. Those attending the meetings
2 would take turns sharing information concerning prices, monthly and quarterly TFT-LCD Panel
3 output, production, and supply until a consensus was reached concerning the participants' prices
4 and production levels of TFT-LCD Panels in the coming months or quarter.

5 89. The structure of "Commercial" meetings was largely the same as CEO meetings.
6 These meetings took place more frequently than CEO meetings and occurred approximately
7 monthly from 2001 to early 2006.

8 90. During all of these meetings, Defendants exchanged information about current and
9 anticipated prices for their TFT-LCD Panels, and, thereafter, reached agreement concerning the
10 specific prices to be charged in the coming weeks and months for TFT-LCD Panels. Defendants
11 set these prices in various ways, including, but not limited to, setting "target" prices, "floor"
12 prices, and the price range or differential between different sizes and types of TFT-LCD Panels.

13 91. During these CEO and Commercial meetings, Defendants also exchanged
14 information about supply, demand, and their production of TFT-LCD Panels, and, thereafter,
15 often reached agreement concerning the amounts each would produce. Defendants limited the
16 production of TFT-LCD Panels in various ways, including, but not limited to, line slowdowns,
17 delaying capacity expansion, shifting their production to different-sized TFT-LCD Panels, and
18 setting target production levels.

19 92. During these CEO and Commercial meetings, Defendants also agreed to conceal
20 the fact and substance of the meetings, and, in fact, took various steps to do so. Top executives
21 and other officials attending these meetings were instructed on more than one occasion to not
22 disclose the fact of these meetings to outsiders, or even to other employees of Defendants not
23 involved in TFT-LCD Panel pricing or production. On at least one occasion, top executives at a
24 CEO meeting staggered their arrivals and departures at the meeting site so that they would not be
25 seen in the company of each other coming or going to the meeting.

26 93. The structure of the so-called "Working Level" meetings was less formal than the
27 CEO or Commercial meetings, and often occurred at restaurants over a meal. The purpose of the
28 Working Level meetings was to exchange information on price, supply and demand, and

1 production information which then would be transmitted up the corporate reporting chain to those
2 individuals with pricing authority which facilitated implementation of the conspiracy and
3 effectuated the agreements made at the CEO meetings and at the Commercial meetings.

4 94. In approximately the summer of 2006, when they began to have concerns about
5 antitrust issues, Defendants discontinued the Working Level meetings in favor of one-on-one
6 meetings to exchange pricing and supply information. The meetings were coordinated so that on
7 the same date, each competitor met one-on-one with the other in a "Round Robin" set of meetings
8 until all competitors had met with each other. These Round Robin meetings took place until at
9 least November or December of 2006. The information obtained at these meetings was
10 transmitted up the corporate reporting chain permit Defendants and their co-conspirators to
11 maintain their price-fixing and production-limitation agreement.

12 3. Bilateral Conspiracy Meetings

13 95. Throughout the Conspiracy Period, Defendants also engaged in frequent bilateral
14 discussions and meetings with each other in which they exchanged information about pricing,
15 shipments, and production. During the time when Defendants held the Crystal Meetings, they
16 continued these bilateral discussions, which supplemented the discussions and agreements
17 reached at the Crystal Meetings. Defendants had bilateral discussions with one another during
18 price negotiations with customers in order to avoid cutting prices and to implement the fixed
19 prices set by Defendants during the Crystal Meetings.

20 96. These bilateral discussions occurred at various levels of Defendants' sales and
21 marketing organizations. Lower-level sales and marketing employees of the Defendants engaged
22 in frequent bilateral discussions with each other in the form of telephone calls, emails and instant
23 messages. The information gained in these communications was then shared with supervisors and
24 taken into account in determining the price to be offered to Defendants' customers. At the same
25 time, higher-level managers of the Defendants participated in bilateral discussions through
26 telephone calls, emails and face-to-face meetings. These higher-level managers used the
27 information gained through these bilateral discussions to determine the price to be offered to
28

1 Defendants' customers and communicated this information to the lower level account managers
2 and sales representatives who negotiated directly with Defendants' customers.

3 97. During the Crystal Meetings, Defendants also agreed to engage in bilateral
4 communications with those Defendants not attending the meetings. Certain Defendants were
5 "assigned" other Defendants not in attendance and agreed to and did in fact communicate with
6 non-attending Defendants to synchronize the price and production limitations agreed to at the
7 Crystal Meetings. Participants at the Crystal Meetings contacted Japanese Defendants or co-
8 conspirators to relay the agreed-upon pricing and production limitations. Some of these meetings
9 and communications took place in the U.S. and specifically targeted U.S. commerce.

10 **4. Defendants' Participation in Group and Bilateral Discussions**

11 98. Defendants attended multiple CEO, Commercial, and working-level meetings, and
12 engaged in frequent bilateral discussions during the Conspiracy Period and at least between 2001
13 and 2006. At the CEO and Commercial meetings, these Defendants agreed on prices, price
14 increases, and production limits and quotas for TFT-LCD Panels. These Defendants also reached
15 agreements and understandings on prices generally and prices for particular customers in the
16 course of their frequent bilateral communications.

17 99. Defendant Chimei Innolux's predecessor, Chi Mei Optoelectronics, has admitted
18 and pleaded guilty to participating in the conspiracy from September 2001 to December 2006 to
19 fix the price of TFT-LCD Panels sold worldwide, including the United States, and to participating
20 in meetings, conversations and communications in Taiwan to discuss the prices of TFT-LCD
21 Panels, agreeing to fix the prices of TFT-LCD Panels, and exchanging pricing and sales
22 information for the purpose of monitoring and enforcing adherence to agreed-upon prices. In
23 connection with its guilty plea, Chi Mei Optoelectronics has agreed to pay a criminal fine of \$220
24 million.

25 100. On March 13, 2012 a jury in this District found Defendants AU Optronics
26 Corporation and, its U.S. subsidiary, AU Optronics Corporation America, Inc. guilty of criminal
27 price fixing for its participation in the conspiracy.
28

1 101. Defendant LG Display has admitted and pleaded guilty to participating in the
2 conspiracy from September 2001 through June 2006 to fix the prices of TFT-LCD Panels sold
3 worldwide, including the United States, and to participating in meetings, conversations and
4 communications in Taiwan, South Korea, and the United States to discuss the prices of TFT-LCD
5 Panels, agreeing to fix the prices of TFT-LCD Panels, and exchanging pricing and sales
6 information for the purpose of monitoring and enforcing adherence to the agreed-upon prices. LG
7 Display also admitted that acts in furtherance of the conspiracy to fix the price of TFT-LCD
8 Panels were carried out in California. In connection with its guilty plea, LG Display has agreed
9 to pay a fine of \$400 million (reported at the time as the second-highest criminal fine ever
10 imposed by the U.S. Department of Justice (“DOJ”) Antitrust Division) for its participation in the
11 conspiracy. As part of the LG criminal proceedings, Plaintiff was identified as victims of the
12 conspiracy.

13 102. Chung Suk “C.S.” Chung, an executive from LG Display, also pleaded guilty to
14 participating in the conspiracy to fix the prices of TFT-LCD Panels sold worldwide, including the
15 United States, from September 2001 through June 2006. Specifically, Mr. Chung admitted that he
16 participated in meetings, conversations and communications in Taiwan, South Korea and the
17 United States to discuss the prices of TFT-LCD Panels, agreed to fix the prices of TFT-LCD
18 Panels at certain predetermined levels, issued price quotations in accordance with the agreements
19 reached, exchanged pricing and sales information for the purpose of monitoring and enforcing
20 adherence to the agreed-upon prices, and authorized, ordered, and consented to the participation
21 of subordinate employees in the conspiracy. Mr. Chung served a 7-month prison term and paid a
22 criminal fine of \$25,000.

23 103. Bock Kwon, an executive from LG Display, also pleaded guilty to participating in
24 the conspiracy to fix the prices of TFT-LCD Panels sold worldwide, including the United States,
25 from September 2001 through June 2006. Specifically, Mr. Kwon admitted that he participated in
26 meetings, conversations and communications in Taiwan, South Korea and the United States to
27 discuss the prices of TFT-LCD Panels, agreed to fix the prices of TFT-LCD Panels at certain
28 predetermined levels, issued price quotations in accordance with the agreements reached,

1 exchanged pricing and sales information for the purpose of monitoring and enforcing adherence
2 to the agreed-upon prices, and authorized, ordered, and consented to the participation of
3 subordinate employees in the conspiracy. Mr. Kwon served a 12-month prison term and paid a
4 criminal fine of \$30,000.

5 104. In addition, Duk Mo Koo, former Executive Vice President and Chief Sales
6 Officer from LG Display, has been indicted for participating in the conspiracy to fix the prices of
7 TFT-LCD Panels sold worldwide, including the United States, from December 2001 through
8 December 2005. Specifically, Mr. Koo has been charged with participating in meetings,
9 conversations and communications in Taiwan, South Korea and the United States to discuss the
10 prices of TFT-LCD Panels, including the Crystal Meetings that took place in Taiwan. Mr. Koo
11 has also been charged with agreeing to fix the prices of TFT-LCD Panels at certain predetermined
12 levels, issuing price quotations in accordance with the agreements reached, exchanging pricing
13 and sales information for the purpose of monitoring and enforcing adherence to the agreed-upon
14 prices, authorizing, ordering, and consenting to the participation of subordinate employees in the
15 conspiracy, accepting payment for the supply of TFT-LCD Panels sold at collusive,
16 noncompetitive prices to customers in the United States, and taking steps to conceal the
17 conspiracy and his conspiratorial contracts. Mr. Koo has refused to appear to face these charges
18 and remains a fugitive.

19 105. Defendant HannStar has admitted and pleaded guilty to participating in the
20 conspiracy from September 2001 to January 2006 to fix the price of TFT-LCD Panels sold
21 worldwide, including the United States, and to participating in meetings, conversations and
22 communications to discuss the prices of TFT-LCD Panels, agreeing to fix the prices of TFT-LCD
23 Panels, and exchanging pricing and sales information for the purpose of monitoring and enforcing
24 adherence to agreed-upon prices. HannStar also admitted that acts in furtherance of the
25 conspiracy to fix the price of TFT-LCD Panels were carried out in California. In connection with
26 its guilty plea, HannStar has agreed to pay a criminal fine of \$30 million.

27 106. Co-conspirator Epson Japan has admitted and pleaded guilty to participating in the
28 conspiracy with unnamed co-conspirators to fix the price of TFT-LCD Panels sold to Motorola

1 and agreed to pay a criminal fine of \$26 million. Epson Japan has admitted to participating in the
2 conspiracy from 2005 through 2006 to fix the prices of TFT-LCD Panels, and to participating in
3 meetings, conversations and communications in Japan and the United States to discuss the prices
4 of TFT-LCD Panels, agreeing to fix the prices of TFT-LCD Panels, and exchanging pricing and
5 sales information for the purpose of monitoring and enforcing adherence to the agreed-upon
6 prices.

7 107. Co-conspirator Epson America is a wholly-owned and controlled subsidiary of co-
8 conspirator Epson Japan. Epson America acted as Epson Japan's agent for selling TFT-LCD
9 Products in the United States, and thus was an active, knowing participant in the alleged
10 conspiracy. To the extent Epson America sold or distributed TFT-LCD Products, it played a
11 significant role in the conspiracy because Defendants wished to ensure that the prices for TFT-
12 LCD Products did not undercut the TFT-LCD Panel pricing agreements reached at their various
13 meetings. Epson America also engaged in bilateral discussions with other Defendants, during
14 which it reached understandings with other Defendants regarding prices and exchanged pricing
15 and sales information for the purpose of monitoring agreed-upon prices. In addition, at one of the
16 bilateral meetings described above, Epson Japan was represented by co-conspirator Mitsui. At
17 that meeting, Mitsui served as an agent of, and acted under the direction of, both Epson Japan and
18 Epson America. Epson Japan and Epson America, through their agent, were parties to the
19 agreements made at those meetings and acted as co-conspirators.

20 108. Co-conspirator Sharp has admitted and pleaded guilty to participating in the
21 conspiracy with unnamed conspirators to fix the price of TFT-LCD Panels sold to Dell from April
22 2001 to December 2006, to Apple Computer from September 2005 to December 2006, and to
23 Motorola from the fall of 2005 to the middle of 2006; and to participating in bilateral meetings,
24 conversations and communications in Japan and in the United States with unnamed co-
25 conspirators to discuss the prices of TFT-LCD Panels, agreeing to fix the prices of TFT-LCD
26 Panels, and exchanging pricing and sales information for the purpose of monitoring and enforcing
27 adherence to the agreed-upon prices. Sharp admitted that acts in furtherance of the conspiracy to
28 fix the price of TFT-LCD Panels were carried out in California.

1 109. Co-conspirator Sharp participated in multiple Working Level meetings, as well as
2 bilateral discussions with other Defendants during which it discussed and reached agreements
3 with other Defendants on prices for TFT-LCD Panels during the Conspiracy Period.

4 110. Co-conspirator Sharp also participated in multiple bilateral discussions with other
5 Defendants, including Toshiba and Epson, during the Conspiracy Period. During these
6 discussions, Sharp reached agreements with other Defendants on prices, price increases,
7 production quotas, and production limits for TFT-LCD Panels.

8 111. Co-conspirator Toshiba participated in multiple bilateral discussions with other
9 Defendants, during which Toshiba reached agreements and understandings with other Defendants
10 on prices. Toshiba also participated in the conspiracy by entering into joint ventures and other
11 arrangements to manufacture or source TFT-LCD Panels with one or more of the Defendants that
12 attended the Crystal Meetings. The purpose and effect of these joint ventures by Toshiba and
13 others was to limit the supply of TFT-LCD Panels and fix prices of such panels at unreasonably
14 high levels and to aid, abet, notify and facilitate the implementation of the price-fixing and
15 production-limitation agreements reached at the meetings. During the Conspiracy Period, Toshiba
16 sought and formed strategic partnerships with other TFT-LCD manufacturers which allowed it to
17 easily communicate and coordinate prices and production levels with other manufacturers as part
18 of the overall conspiracy alleged herein. For instance, in early 1998, Toshiba and HannStar
19 entered into a Technology Transfer License Agreement. In 2001, Toshiba and Matsushita formed
20 a joint venture, Advanced Flat Panel Displays, which merged their TFT-LCD operations. In April
21 2002, Toshiba and Matsushita formed a joint venture, Toshiba Matsushita Display Technology
22 Co. Ltd., which combined the two companies' TFT-LCD development, manufacturing, and sales
23 operations. In 2006, Toshiba purchased a 20% stake in LG Display's TFT-LCD Panel
24 manufacturing facility in Poland. The operation and management of these many different joint
25 ventures afforded Toshiba and the other Defendant joint-venture partners regular opportunities to
26 communicate with each other to agree on prices, price increases and production limits and quotas
27 for TFT-LCD Panels that each Defendant manufactured and sold.
28

1 112. Co-conspirator NEC participated in meetings or discussions during the Conspiracy
2 Period with other Defendants and co-conspirators, which included discussions about prices for
3 TFT-LCD Panels.

4 113. Co-conspirator Sanyo also engaged in numerous discussions with other
5 Defendants, which included discussions regarding prices for TFT-LCD Panels and agreements to
6 fix prices for TFT-LCD Panels.

7 114. Co-conspirator Hydis Technologies Co. Ltd., f/k/a BOE Hydis Technology Co.,
8 Ltd. (“Hydis”), participated in multiple lower level meetings between at least 2002 and 2005. In
9 addition, Hydis had a bilateral meeting with a Taiwanese Defendant at least as recently as 2005.
10 Through these discussions, Hydis agreed on prices and supply levels for TFT-LCD Panels.

11 115. Co-conspirator Mitsubishi Electric Corporation (“Mitsubishi”) participated in
12 multiple lower level meetings in 2001 with Chi Mei, Samsung, and Unipac Electronics (later AU
13 Optronics). Through these meetings, Mitsubishi agreed on prices and supply levels for TFT-LCD
14 Panels.

15 116. Co-conspirator Mitsui had at least one bilateral meeting, which included a
16 discussion about customers and future pricing, with a Taiwanese Defendant in 2001. Mitsui was
17 acting as an agent for co-conspirator Epson Japan in this discussion. Mitsui and Epson Japan
18 agreed on prices and supply levels for TFT-LCD Panels.

19 117. Co-conspirator IPS Alpha Technology, Ltd. (“IPS Alpha”) is a joint venture
20 among Hitachi Displays, Ltd., Toshiba Corporation, and Panasonic Corporation (“Panasonic”),
21 and one or more of the partners in this joint venture participated in the meetings described above.
22 As a result, IPS Alpha was represented at those meetings and was a party to the agreements
23 entered into by its joint venture partners at them. As explained above, the agreements at these
24 meetings included agreements on price ranges and output restrictions. The joint venture partners
25 had substantial control over IPS Alpha’s production levels and the prices of TFT-LCD Panels the
26 joint ventures sold both to the joint venture partners and other non-affiliated companies. Thus,
27 IPS Alpha and Panasonic were active, knowing participants in the alleged conspiracy.
28

1 118. When Plaintiff refers to a corporate family or companies by a single name in their
2 allegations of participation in the conspiracy, it is to be understood that Plaintiff is alleging that
3 one or more employees or agents of entities within the corporate family engaged in conspiratorial
4 meetings on behalf of every company in that family. In fact, the individual participants in the
5 conspiratorial meetings and discussions did not always know the corporate affiliation of their
6 counterparts, nor did they distinguish between the entities within a corporate family. The
7 individual participants entered into agreements on behalf of, and reported these meetings and
8 discussions to, their respective corporate families. As a result, the entire corporate family was
9 represented in meetings and discussions by their agents and were parties to the agreements
10 reached in them. Furthermore, to the extent that subsidiaries within the corporate families
11 distributed TFT-LCD Panels or TFT-LCD Products to direct purchasers, these subsidiaries played
12 a significant role in the conspiracy because Defendants wished to ensure that the prices for such
13 products paid by direct purchasers would not undercut the pricing agreements reached at these
14 various meetings. Thus, all entities within the corporate families were active, knowing
15 participants in the alleged conspiracy.

16 **5. Market Conditions Demonstrating the Conspiracy**

17 119. Since at least 1996, the TFT-LCD Panel market has not behaved as would be
18 expected of a competitive market free of collusion. Rather, the behavior of this market strongly
19 evidences that the Defendants engaged in a significant price-fixing conspiracy that had the
20 purpose and effect of stabilizing and raising prices for TFT-LCD Panels at supra-competitive
21 levels.

22 120. After initially being introduced into a market, consumer electronics products and
23 their component parts typically are characterized by steady downward pricing trends. However,
24 since at least 1996, the TFT-LCD Panel market has been characterized by price stability and
25 certain periods of substantial upward pricing trends.

26 121. Moreover, since at least 1996, the TFT-LCD Panel market has not followed the
27 basic laws of supply and demand in a competitive market. In a competitive market, price
28 increases normally occur during shortage periods. Since at least 1996, however, there have been

1 significant price increases in the TFT-LCD Panel market during periods of both oversupply and
2 shortage.

3 122. The demand for consumer electronic products and their component parts generally
4 increases over time. As would be expected, demand for TFT-LCD Panels and TFT-LCD Products
5 were steadily and substantially increasing throughout the Conspiracy Period.

6 123. Rather than competing for this increased demand, however, since at least 1996,
7 Defendants worked together to stabilize prices by agreeing to fix prices at artificially high levels
8 and to restrict the supply of TFT-LCD Panels through, among other things, decreasing their
9 capacity utilization and refraining from expanding existing capacity. Those Defendants not
10 already manufacturing TFT-LCD Panels in 1996 joined this conspiracy after they began
11 manufacturing TFT-LCD Panels.

12 124. In 1996, the TFT-LCD Panel market was experiencing excess supply and drastic
13 price cuts. Prices had already fallen 40 to 50 percent in 1995, and were projected to continue
14 dropping due to lower manufacturing costs. However, TFT-LCD Panel prices began rising in
15 1996, allegedly due to insufficient production capacity. In fact, Defendants had begun raising and
16 stabilizing the prices.

17 125. TFT-LCD Panel prices began to increase in early 1996. Defendants blamed the
18 sudden increase in prices on an alleged inability to supply enough TFT-LCD Panels to meet
19 demand. By May of 1996, an industry magazine was reporting that, “[f]lat-panel-display
20 purchasers are riding a roller coaster of pricing in the display market, with no clear predictability
21 anytime soon Perplexed purchasers trying to keep up with the gyrating market can take solace
22 that even vendors are constantly being surprised by the sudden twists and turns.”

23 126. Soon thereafter, industry analysts began commenting on the unusual rise in TFT-
24 LCD Panel prices, noting that this rise in prices was “quite rare in the electronics industry.”

25 127. 1996 also brought the advent of third generation fabs. Since 1996, additional
26 generations of fabs have been built, which has resulted in at least eight generations of TFT-LCD
27 Panel fabs. LG Electronics was scheduled to have its third generation fab online by 1997, and
28 Hyundai was scheduled to do so by early 1998. Each new TFT-LCD Panel generation was

1 produced from ever larger pieces of glass, so as to reduce the cost of the screens used in
2 televisions, computer monitors, and laptops. Ever- increasing production capacity threatened to
3 outstrip demand for TFT-LCD Panels, with the result that prices of TFT-LCD Panels should have
4 decreased rapidly. Instead, Defendants falsely claimed to be operating at full capacity and unable
5 to meet demand, despite the millions of units of over-capacity that had supposedly existed months
6 earlier, and prices surged upwards. These price increases were also inconsistent with the fact that
7 production had become more efficient and cost effective.

8 128. The supra-competitive level of TFT-LCD Panel prices during the Conspiracy
9 Period is demonstrated by, inter alia, the fact that costs were decreasing. One of the most
10 significant costs in producing a TFT-LCD Panel is the cost of its component parts. Some of the
11 major component parts for a TFT-LCD Panel include the backlight, color filter, PCB polarizer,
12 and glass. During the Conspiracy Period, the costs of these components collectively and
13 individually had been generally declining, and in some periods at a substantial rate. Thus, the
14 margin between TFT-LCD Panel manufacturers' prices and their costs was unusually large during
15 the Conspiracy Period.

16 129. During the end of 2001 and 2002, TFT-LCD Panel prices increased substantially
17 while the costs to produce these panels remained flat or decreased. Similarly, during the end of
18 2003 to 2004, TFT-LCD Panel prices again increased by a substantial amount, while costs
19 remained flat or decreased. This economic aberration is the intended and necessary result of
20 Defendants' conspiracy to raise, fix, and maintain the prices of TFT-LCD Panels.

21 130. TFT-LCD Panel prices increased by more than 5% in October 2001. These price
22 increases continued until June of 2002.

23 131. At the time, Defendants blamed these price increases on supply shortages. In fact,
24 these price increases were a direct result of Defendants' agreement to fix, raise, and maintain the
25 prices of TFT-LCD Panels and Defendants' false statements about supply shortages were
26 designed to conceal their price-fixing agreement. When asked why prices had increased,
27 Defendants repeatedly asserted that increases in TFT-LCD Panel prices were due to increased
28 demand and a "supply shortage."

1 132. These price increases occurred as production costs declined due to lower prices for
2 parts and components as well as improvements in manufacturing efficiency. These decreasing
3 costs should have led to lower prices and competition among Defendants. Instead, because
4 Defendants had entered into an agreement to fix, raise, and maintain prices for TFT-LCD Panels
5 at artificially high levels, it resulted in extremely high profits. For example, Defendants AU
6 Optronics Inc., and Chi Mei Optoelectronics Corp., posted higher pretax profits than expected in
7 the first quarter of 2002. For example, AU Optronics reported revenue of NT\$19.7 billion in the
8 first quarter, with pretax profit reaching about NT\$2 billion, and Chi Mei reported pretax earnings
9 of NT\$800 million on revenue of about NT\$8.8 billion at the same period.

10 133. These increases in prices and revenue were unprecedented. During the first six
11 months of 2002, revenue for Taiwan's five major TFT-LCD Panel manufacturers, AU Optronics,
12 Chi Mei, HannStar Display Inc., and Quanta Display Inc. (later purchased by AU Optronics), rose
13 184% from the same period in 2001.

14 **E. Government Investigations and Criminal Proceedings**

15 134. In December 2006, authorities in Japan, South Korea, the European Union, and the
16 United States revealed the existence of a comprehensive investigation into anti-competitive
17 activity among TFT-LCD Panel manufacturers. In a December 11, 2006, filing with the Securities
18 and Exchange Commission, Defendant LG Display disclosed for the first time that officials from
19 the South Korean and Japanese Fair Trade Commissions had visited the company's Seoul and
20 Tokyo offices and that DOJ had issued a subpoena to its San Jose office.

21 135. On December 12, 2006, news reports indicated that in addition to LG Display,
22 Samsung, Sharp and AU Optronics were also under investigation.

23 136. The DOJ acknowledged that it was "investigating the possibility of
24 anticompetitive practices and is cooperating with foreign authorities."

25 137. At least one Defendant has approached DOJ to enter into a leniency agreement
26 with respect to that Defendants' role in the conspiracy to fix prices of TFT-LCD Panels. In order
27 to enter into a leniency agreement under the Corporate Leniency Policy of DOJ, that Defendant
28

1 has reported the price-fixing conspiracy to DOJ and has confessed its own participation in the
2 price-fixing conspiracy.

3 138. On or about November 12, 2008, LG Display, and Sharp agreed to plead guilty
4 and pay a total of \$585 million in criminal fines for their roles in the conspiracy to fix prices of
5 TFT-LCD Panels. Also on or about January 15, 2009, Chang Suk "C.S." Chung, an executive
6 from LG Display, agreed to plead guilty to participating in the conspiracy from September 2001
7 to June 2006. Mr. Chung agreed to serve a 7-month prison sentence and pay a \$25,000 criminal
8 fine. On or about February 3, 2009, former LG Display executive Duk Mo Koo was indicted for
9 participating in the global TFT-LCD Panel price fixing conspiracy. On or about April 27, 2009, a
10 high level executive of LG Display, Bock Kwon, agreed to plead guilty to a global TFT-LCD
11 Panel price fixing conspiracy. On or about August 25, 2009, Epson Imaging Devices Corporation
12 agreed to plead guilty and pay a \$26 million criminal fine for its role in the conspiracy to fix the
13 price of TFT-LCD Panels. On or about December 9, 2009, Defendant Chi Mei Optoelectronics
14 Corporation agreed to plead guilty and pay a \$220 million criminal fine for its role in the
15 conspiracy. And on or about June 29, 2010, HannStar Display Corporation agreed to plead guilty
16 and pay a \$30 million criminal fine for its role in the conspiracy.

17 139. On March 13, 2012 a jury in this District found Defendants AU Optronics
18 Corporation and, its U.S. subsidiary, AU Optronics Corporation America, Inc. guilty of criminal
19 price fixing for its participation in the conspiracy.

20 140. The DOJ's investigation of the remaining Defendants is ongoing and is expected
21 to result in additional guilty pleas, convictions, and criminal fines.

22 **F. Plaintiff's Purchases and Injuries**

23 141. During the Conspiracy Period, PTI purchased TFT-LCD Panels indirectly from
24 Defendants in Taiwan, China and Japan. The Proview OEMs bought TFT-LCD Panels from
25 Defendants, at prices artificially inflated by the conspiracy. The Proview OEMs would use these
26 TFT-LCD Panels to manufacture computer monitors and televisions, which they would then sell
27 to PTI, at prices artificially inflated by the conspiracy.
28

1 142. PTI developed U.S. market projections based on discussions and negotiations with
2 its U.S. customers. In compiling these projections, PTI relied upon TFT-LCD Panel pricing and
3 delivery information provided by Defendants' employees to PTI in the U.S. These projections
4 triggered binding delivery requirements for TFT-LCD Panels from Defendants to the Proview
5 OEMs for manufacture into TFT-LCD products to be delivered to PTI. Defendants entered into
6 sales contracts with the Proview OEMs fully aware that the subject panels sold to the Proview
7 OEMS were specifically bound for the U.S. market, for specific U.S. customers, to fill orders
8 placed by PTI based on price information obtained from Defendants.

9 143. From PTI's offices in California, representatives of PTI controlled the Proview
10 OEMs' panel purchases from Defendants in Asia. Defendants and their co-conspirators, using
11 their U.S. and California affiliates, salespeople, and contacts set prices for panels to be purchased
12 in Asia for incorporation into PTI's U.S. products.

13 144. Because the price of the panel was the largest cost of PTI's products, PTI, through
14 the Proview OEMs, ordered panels from Defendants simultaneously with negotiating orders with
15 its U.S. Customers. For example, PTI would annually negotiate special "Black Friday" pricing
16 with its U.S. customers, but would do so in conjunction with, and dependent upon, panel prices
17 offered by Defendants.

18 145. Throughout the Conspiracy Period, Employees and agents of PTI were authorized
19 to act on behalf the Proview OEMs and vice versa in contracting with Defendants.

20 146. Plaintiff has suffered direct, substantial, and reasonably foreseeable injuries as a
21 result of Defendants' and their co-conspirators' conspiracy to raise, fix, stabilize, or maintain the
22 price of TFT-LCD Panels at supra-competitive levels. Defendants' conspiracy artificially inflated
23 the price of TFT-LCD Panels and TFT-LCD products, causing Plaintiff to pay higher prices than
24 it would have in the absence of Defendants' and their co-conspirators' conspiracy, and also
25 causing consequential damages.

26
27
28

1 **V. TRADE AND COMMERCE AFFECTED BY CONSPIRACY**

2 **A. Defendants' Conduct Involved Import Trade or Import Commerce**

3 147. Defendants' illegal conduct involved U.S. import trade or import commerce.
4 Defendants knowingly and intentionally sent price-fixed TFT-LCD Panels into a stream of
5 commerce that they knew led directly into the United States, one of their most important markets
6 and a major source of their revenues. In this respect, they directed their anticompetitive conduct at
7 imports into the United States with the intent of causing price-fixed TFT-LCD Panels to enter the
8 United States market and inflating the prices of TFT-LCD products destined for the United States.
9 Such conduct was meant to produce and did in fact produce a substantial effect in the United
10 States in the form of higher prices.

11 148. The U.S. TFT-LCD market is enormous and was a major focus of and very
12 important to the conspiracy. Defendants and others shipped millions of TFT-LCD Panels,
13 including those incorporated into finished products, into the United States during the Conspiracy
14 Period for ultimate resale to U.S. consumers. During the Conspiracy Period, the value of TFT-
15 LCD Panels imported into the United States was in excess of \$50 billion. Defendants shipped
16 millions of TFT-LCD-containing products worth billions of dollars into the United States each
17 year during the Conspiracy Period. As a result, a substantial portion of Defendants' revenues
18 were derived from the U.S. market. Defendants spent hundreds of millions of dollars on
19 advertising their products in the United States. Most, if not all, Defendants had marketing, sales,
20 and account management teams specifically designated to handle U.S. customer accounts and the
21 U.S. market for TFT-LCD Panels and TFT-LCD-containing products.

22 149. Because of the importance of the U.S. market to Defendants and their co-
23 conspirators, TFT-LCD Panels and TFT-LCD-containing products intended for importation into
24 and ultimate consumption in the United States were a focus of Defendants' illegal conduct. The
25 Defendants knowingly and intentionally sent price-fixed TFT-LCD Panels and TFT-LCD-
26 containing products into a stream of commerce that lead directly into the United States. Many
27 TFT-LCD Panels were intended for incorporation into finished products specifically destined for
28 sale and use in the United States. This conduct by Defendants was meant to produce and did in

1 fact produce a substantial effect in the United States in the form of artificially-inflated prices for
2 TFT-LCD Panels and TFT-LCD-containing products.

3 150. During the Conspiracy Period, every Defendant shipped TFT-LCD Panels directly
4 into the United States.

5 151. When high-level executives based at Defendants' Asian headquarters agreed on
6 prices, they knew that their price-fixed TFT-LCD Panels would be incorporated into TFT-LCD-
7 containing products sold in the United States. Moreover, because TFT-LCD Panels are—and
8 were throughout the Conspiracy Period—the most expensive and significant component of TFT-
9 LCD-containing products, Defendants knew that price increases for TFT-LCD Panels would
10 necessarily result in increased prices for TFT-LCD-containing products sold in the United States.
11 Many Defendants manufactured TFT-LCD-containing products and sold them in the United
12 States. In fact, Defendants routinely monitored the effect their price-fixing had on the prices of
13 such TFT-LCD-containing products sold in the United States.

14 152. Defendants also monitored the prices for TFT-LCD-containing products sold in
15 the United States, which they often referred to as “street prices,” because Defendants were aware
16 that the conspiracy would elevate those prices in addition to the prices of TFT-LCD Panels. In
17 addition, Defendants used TFT-LCD-containing product pricing in the United States as a
18 benchmark for establishing, organizing, and tracking their price-fixing of TFT-LCD Panels.

19 153. Defendants have acknowledged that their commercial activities involving
20 intentionally sending TFT-LCD Panels and TFT-LCD products into the United States impacted
21 U.S. import trade and import commerce. In a series of complaints filed with the U.S. International
22 Trade Commission over the past few years, Samsung and Sharp have both alleged infringing
23 conduct based on “[t]he importation into the United States, sale for importation into the United
24 States, and/or sale after importation in the United States of ... TFT-LCD devices” by the other
25 (and by other entities on its behalf). *See In the Matter of Certain Liquid Crystal Display Devices*
26 *and Products Containing the Same*, Investigation No. 337-TA-631, Complaint of Samsung
27 Electronics Co., Ltd. (December 21, 2007) (Docket No. 2586); *In the Matter of Certain Liquid*
28 *Crystal Display Modules, Products Containing Same; and Methods for Using the Same*,

1 Investigation No. 337-TA-634, Complaint of Sharp Corporation (January 30,2008) (Docket No.
2 2594); *In the Matter of Certain Liquid Crystal Display Devices and Products Containing the*
3 *Same*, Investigation No. 337-TA-699, Complaint of Samsung Electronics Co., Ltd. (December 1,
4 2009) (Docket No. 2698).

5 154. Likewise, in a civil patent lawsuit brought in federal court, one Defendant
6 acknowledged that other Defendants' commercial activities involving intentionally sending TFT-
7 LCD Panels and TFT-LCD-containing products into the United States involved American import
8 trade and import commerce. In that case, the Defendant alleged infringing conduct on the part of
9 the other Defendants stemming from their sending infringing products into "the United States ...
10 through established distribution channels involving various third parties, knowing that these third
11 parties will use their respective nationwide contacts and distribution channels to import into, sell,
12 offer for sale, and/or use these products in ... the United States." *See LG Philips TFT-LCD Co.,*
13 *Ltd. v. Chi Mei Optoelectronics Corporation, et al.*, Civil Action No. 06-726-JJF (D. Del.)
14 (Docket No. 54) ¶¶ 6,8. According to the Defendant, those distribution channels/networks were
15 "designed to exploit the U.S. market" and were "comprised of the largest original equipment
16 manufacturers ... and the largest chain retail outlets in the United States." *LG Philips*, Civil
17 Action No. 06-726-JJF (Docket No. 57) at 2.

18 155. Defendants and their co-conspirators who have entered guilty pleas in connection
19 with the TFT-LCD conspiracy have acknowledged that their illegal activities impacted imports
20 into the United States and had a substantial effect on American import trade and import
21 commerce. Those Defendants and their co-conspirators have expressly admitted that "[TFT-LCD
22 Panels] affected by [their] conspiracy [were] sold by one or more of the conspirators to customers
23 in [the Northern District of California]."

24 156. Plaintiff has been specifically identified as a victim of Defendants' criminal
25 conduct in one or more of these criminal proceedings.

26 157. Defendants were specifically aware that when they sold TFT-LCD Panels to
27 Plaintiff, a significant portion of those panels would be incorporated into TFT-LCD-containing
28 products imported and sold in the United States.

1 158. For the reasons set forth above, Defendants' illegal conduct involved import trade
2 or import commerce into the United States.

3 **B. Defendants' Conduct Had a Direct, Substantial, and Reasonably Foreseeable**
4 **Effect on U.S. Domestic and Import Trade or Commerce that Gave Rise to**
5 **Plaintiff's Antitrust Claims**

6 159. With a continuous sales and supply chain operation in five different U.S. locations
7 -- Garden Grove, California; Chicago, Illinois; Houston Texas; Miami, Florida; and Bergenfield,
8 New Jersey -- PTI supplied TFT-LCD monitors and televisions to many of the largest retailers in
9 the U.S. market. PTI had at least five individuals in California who exclusively handled all U.S.
10 order planning. Through its United States-based order planning process, PTI directed and
11 controlled the Proview OEMs' purchases of TFT-LCD Panels from Defendants.

12 160. PTI sold computer monitors and televisions containing Defendants' TFT-LCD
13 Panels to U.S. customers under the brand names PROVIEW, MAG INNOVISION, KDS, and
14 also, under license agreements entered into in the U.S., the brand names XEROX and
15 SYLVANIA.

16 161. PTI did not purchase panels for its own stock. All panel purchases that PTI
17 instructed the Proview OEMs to make were the result of, and dependent upon, purchase orders
18 from PTI's U.S. customers that PTI entered into only after obtaining a firm price from Defendants
19 for TFT-LCD Panels. This was necessitated by the fact that the panel was the largest expense
20 incurred by PTI in manufacturing and selling their display products. As a result, PTI's
21 negotiations with its U.S customers occurred simultaneously with and were dependent upon the
22 Proview OEMs' purchase of panels from Defendants. These simultaneous negotiations often
23 occurred in conjunction with special deals, such as "Black Friday" deals that PTI negotiated with
24 its customers. As a result, Defendants always knew that specific panel orders placed by the
25 Proview OEMs were specifically to fill orders placed by PTI's U.S. customers.

26 162. Representatives of PTI and its affiliated OEMs also met with PTI's major U.S.
27 retailer customers and representatives of Defendants and their co-conspirators at the affiliate
28 manufacturing plants in Asia and in the U.S. to negotiate contract terms, pricing, and the logistics
of the supply chain for the U.S. bound TFT-LCD products.

1 163. During the Conspiracy Period, PTI employees, officers and directors frequently
2 held in-person meetings in the U.S. with Defendants and their co-conspirators.

3 164. At least twice per year during the Conspiracy Period, representatives of PTI met in
4 person with representatives of Defendants and their co-conspirators at industry trade shows,
5 including but not limited to the two largest industry shows in Las Vegas, the Computer Dealers'
6 Exhibition ("COMDEX") and the International Consumer Electronics Show ("CES"). For
7 example, PTI representatives often met with James Yang of Defendant Chi Mei to discuss panel
8 pricing and supply. Mr. Yang pled guilty to participating in the conspiracy and served a sentence
9 in federal prison.

10 165. Defendants' illegal conduct had a direct, substantial, and reasonably foreseeable
11 effect on U.S. domestic and import trade or commerce in the form of higher prices for TFT-LCD
12 Panels (prices that were the product of collusion) paid by Plaintiff for use in TFT-LCD Products
13 sold in the United States. The prices reached, which were tainted by collusion, directly and
14 immediately impacted Plaintiff's business in the United States. In this respect, the U.S. effects of
15 Defendants' illegal conduct gave rise to Plaintiff's antitrust claims and were the proximate cause
16 of the injury suffered by Plaintiff.

17 **VI. FRAUDULENT CONCEALMENT**

18 166. Plaintiff did not discover and could not have discovered, through the exercise of
19 reasonable diligence, the existence of the conspiracy alleged herein until after December of 2006,
20 when the existence of the investigations by the DOJ and other antitrust regulators became public,
21 because Defendants and their co-conspirators actively and fraudulently concealed the existence of
22 their contract, combination, or conspiracy. Because the conspiracy was kept secret, Plaintiff was
23 unaware of Defendants' and their co-conspirators' unlawful conduct alleged herein and did not
24 know that they were paying artificially high prices for TFT-LCD Panels and TFT-LCD Products.

25 167. The affirmative acts of Defendants and their co-conspirators alleged herein,
26 including acts in furtherance of the conspiracy, were wrongfully concealed and carried out in a
27 manner that precluded detection. The conspirators knew their activities were illegal. After one
28 Crystal Meeting, a co-conspirator wrote that LG Display had reminded the meeting participants to

1 “take heed of the antitrust law.” Evan Huang of AU Optronics, who worked for a time in
2 California, wrote an internal meeting report to others at AU Optronics where he reminded them
3 that their price information exchange with other suppliers “is illegal, especially in the states. We
4 need to be watchful!” Genichi Watanabe testified at deposition that he did not create written
5 records of meetings discussing price with competitors because he was worried about antitrust
6 laws. Stanley Park recorded in his notes after a conspiracy meeting that “based on the DRAM
7 companies being sued in violation of the antitrust laws for their price fixing about two years ago,
8 we need to pay more attention to security internally and otherwise, and must try to refrain from
9 written communication which would leave trails.”

10 168. By its very nature, Defendants and their co-conspirators’ price-fixing conspiracy
11 was inherently self-concealing. As alleged above, Defendants and their co-conspirators had secret
12 discussions about price and output. They agreed not to publicly discuss the existence or the nature
13 of their agreement. In fact, the top executives who attended the CEO and Commercial Crystal
14 Meetings agreed to stagger their arrivals and departures at such meetings to avoid being seen in
15 public with each other and with the express purpose and effect of keeping them secret. Moreover,
16 when the participants in those meetings became fearful that they might be subject to antitrust
17 scrutiny, they agreed to the one- on-one so-called “Round Robin” meetings.

18 169. In addition, Defendants and their co-conspirators repeatedly gave pretextual
19 justifications for inflated prices of TFT-LCD Panels in furtherance of the conspiracy.

20 170. There have been a variety of other purportedly market-based explanations for price
21 increases. The first was supply and demand. In early 1999, Omid Milani, a marketing manager for
22 NEC, stated that “demand by far is outstripping our supply capability” and predicted that “prices
23 will continue to increase until a reasonable balance is achieved.” Bock Kwon, Vice President of
24 LG Display’s Sales Division, and Yoon-Woo Lee, President and CEO of Samsung’s
25 Semiconductor Division, also falsely reported in 1999 that price increases were due to “acute”
26 shortages.

27 171. Another false rationale provided by Defendants was undercapitalization. In 1999,
28 Joel Pollack, a marketing manager for Sharp, stated:

1 Prices have dropped at a steady rate over the past couple of years to
2 the point where it was difficult to continue the necessary level of
capitalization. The [low prices] have starved the industry.

3 172. A third rationale for the steep price hikes of 1999 was offered by Yoon-Woo Lee,
4 CEO of Samsung. He claimed that the demand for larger TFT-LCD Panels was reducing the
5 industry's capacity because each display used more square inches of motherglass substrate.

6 173. Increased demand was repeatedly cited by Defendants and their co-conspirators
7 throughout the Conspiracy Period. On February 4, 2001, Bruce Berkoff, Executive Vice-President
8 at LG Philips was quoted in News.com as saying that price increases were due to shortages. He
9 claimed, "demand grew so fast that the supply can't keep up." Duk-Mo Koo, an executive at LG
10 Display, similarly predicted in 1999 that prices would rise 10 to 15 percent due to increased
11 demand for the holiday season. In 2005, Mr. Koo stated "[w]e are seeing much stronger demand
12 for large-size TFT-LCD televisions than expected, so TFT-LCD television supply is likely to
13 remain tight throughout the year."

14 174. Hsu Jen-Ting, a Vice-President at Chi Mei, and Shuen-Bin Chen, president of AU
15 Optronics, offered another rationale for the 2001 price hike in an interview for the Taiwan
16 Economic News in October 2001. They blamed "component shortages due to the late expansion
17 of 5th generation production lines and new demand from the replacement of traditional cathode
18 ray tubes with TFT-LCD monitors."

19 175. These explanations were all pretextual and each served to cover up Defendants'
20 and their co-conspirators' conspiracy. As a result of this fraudulent concealment of their
21 conspiracy, the running of any relevant statutes of limitation has been tolled with respect to
22 Plaintiff's claims.

23 **VII. TOLLING OF LIMITATIONS PERIODS**

24 176. The statutes of limitations relevant to Plaintiff's claims were equitably tolled by
25 the doctrine of fraudulent concealment until December 11, 2006, the date that the United States'
26 investigation into the TFT-LCD price-fixing conspiracy as to certain Defendants was made
27 public.

28 177. Plaintiff's claims have further been tolled by the doctrine of equitable tolling.

1 178. Plaintiff's claims have further been tolled pursuant to 15 U.S.C. § 16 because the
2 conspiracy alleged herein is based in whole or in part on matters complained of in criminal
3 proceedings instituted by the United States to prevent, restrain and punish violations of the
4 antitrust laws.

5 179. As a result of the filing of class actions relating to Defendants' and their Co-
6 Conspirators' illegal conspiracy to fix TFT-LCD Panel and/or TFT-LCD Product prices, the
7 statutes of limitation relevant to Plaintiff's claims for both their direct and indirect purchases of
8 price-fixed TFT-LCD Panels and/or TFT-LCD Products have also been tolled under *American*
9 *Pipe & Constr. Co. v. Utah*, 414 U.S. 538, 554 (1974) ("*American Pipe*"), as well as the doctrine
10 of cross-jurisdictional tolling.

11 180. The statutes of limitations applicable to PTI's Cartwright Act and Unfair
12 Competition Law claims for their indirect purchases of price-fixed TFT-LCD Panels and/or TFT-
13 LCD Products were tolled as a result of the filing, at least as early as February 2007, of certain
14 indirect purchaser class action complaints against Defendants and their Co-Conspirators that
15 included Plaintiff in their class definitions and asserted claims against Defendants and their Co-
16 Conspirators for their participation in the illegal TFT-LCD price-fixing conspiracy under
17 California's Cartwright Act, Cal. Bus. & Prof. Code §§ 16720, *et seq.*, and California's Unfair
18 Competition Law, Cal. Bus. & Prof. Code §§ 17200, *et seq.* ("the Individual Indirect Purchaser
19 Class Action Complaints"). Examples of such Individual Indirect Purchaser Class Action
20 Complaints include *Hee v. LG Philips TFT-LCD Co. Ltd. et al.*, Case No. 07-CV-0722-SI (Doc.
21 #1) (N.D. Cal. Feb. 2, 2007 ("All individuals and entities who, between January 1, 1998 and
22 December31 [sic], 2005, indirectly purchased TFT-LCD Products in California from the
23 Defendants or their subsidiaries. Excluded from the class are Defendants and their parents,
24 subsidiaries, affiliates, all governmental entities, and co-conspirators.")) and *Selfridge v. LG*
25 *Philips TFT-LCD Co. Ltd. et al.*, Case No. 07-CV-01312 (Doc. #1) (S.D. Cal. Feb. 15, 2007)
26 ("All persons and entities residing in California who, from January 1, 2002 to present, purchased
27 TFT-LCD in the United States indirectly from the Defendants . . . Specifically excluded from this
28 class are the Defendants; the officers, directors or employees of any Defendant; any entity in

1 which any Defendant has a controlling interest; and any affiliate, legal representative, heir, or
2 assign of any Defendant. Also excluded are any federal, state or local government entities.”)

3 181. The statutes of limitations applicable to PTI’s Cartwright Act and Unfair
4 Competition Law claims for its indirect purchases were also tolled by the filing of the Indirect
5 Purchaser Plaintiff’s Consolidated Amended Complaint against Defendants and their Co-
6 Conspirators on November 5, 2007 (“the IPP Class Action Complaint,” together with “the
7 Individual Indirect Purchaser Class Action Complaints,” the “Indirect Purchaser Complaints”).

8 182. The IPP Class Action Complaint asserted claims against Defendants and their Co-
9 Conspirators with respect to their price-fixing of TFT-LCD Panels and/or TFT-LCD Products
10 under both California’s Cartwright Act, Cal. Bus. & Prof. Code §§ 16720, *et seq.*, and Unfair
11 Competition Law, Cal. Bus. & Prof. Code §§ 17200, *et seq.*

12 183. In addition to a separate national class, the IPP Class Action Complaint set forth
13 individual “Indirect Purchaser State Classes,” including a California Indirect Purchaser Class.

14 184. The definition of the California Indirect Purchaser Class in the IPP Class Action
15 Complaint did not exclude indirect purchasers who purchased TFT-LCD Panels for resale: “All
16 persons and entities in California who indirectly purchased TFT-LCD Panels manufactured
17 and/or sold by one or more of the Defendants during the Class Period. Specifically excluded
18 from this Class are Defendants; the officers, directors or employees of any Defendant; any entities
19 in which any Defendant has a controlling interest; and any affiliate, legal representative, heir or
20 assign of any Defendant. Also excluded are any federal, state or local governmental entities, any
21 judicial officer presiding over this action and the members of his/her immediate family and
22 judicial staff, and any juror assigned to this action (the ‘California Indirect Purchaser Class’).”

23 185. Plaintiff therefore falls within the IPP Class Action Complaint’s definition of the
24 California Indirect Purchaser Class.

25 186. On December 5, 2008, the IPP Class Action Complaint was amended to explicitly
26 exclude resellers such as Plaintiff from the definition of “California Indirect Purchaser Class.” As
27 a result, the Individual Indirect Purchaser Class Action Complaints and the IPP Class Action
28 Complaint tolled the statutes of limitations applicable to Plaintiff’s indirect claims until

1 December 5, 2008. Plaintiff’s Complaint was filed on July 20, 2012, within the applicable four-
2 year statutes of limitations for their indirect purchases.

3 187. By asserting claims under the California Cartwright Act and the Unfair
4 Competition Law, the Plaintiff named in the Indirect Purchaser Complaints alleged standing to
5 bring these claims. There are no allegations in the Indirect Purchaser Complaints on their face
6 which preclude Plaintiff in those actions from having standing to assert claims under the
7 Cartwright Act or Unfair Competition Law.

8 **VIII. PTI IS NOT A MEMBER OF THE CERTIFIED DIRECT OR INDIRECT**
9 **CLASSES**

10 188. The certified Direct Purchaser Class included all plaintiffs who directly purchased
11 Panels or Products from Defendants in the U.S. during the conspiracy period. PTI did not directly
12 purchase Panels or Products from defendants in the U.S. during the conspiracy period. PTI
13 indirectly purchased Panels during the conspiracy period. The Proview OEMs directly purchased
14 Panels from defendants in China in Taiwan under the direction and control of PTI.

15 189. The certified Indirect Purchaser Class included plaintiffs who purchased LCD
16 Products for their own use and not for resale. PTI purchased LCD products from the Proview
17 OEMs for resale to third-party retailers. It is therefore not a member of the certified Indirect
18 Purchaser Class.

19 **IX. VIOLATIONS ALLEGED**

20 **FIRST CLAIM FOR RELIEF**
21 **(Violations of the Sherman Act)**
22 **Against All Defendants**

23 190. Plaintiff incorporates and realleges, as though fully set forth herein, each and every
24 allegation set forth in the preceding paragraphs of this Complaint.

25 191. Beginning at a time presently unknown to Plaintiff, but at least as early as
26 January 1, 1996 and continuing through at least December 11, 2006, the exact dates being
27 unknown to Plaintiff, Defendants and their co-conspirators entered into a continuing agreement,
28 understanding, and conspiracy in restraint of trade to artificially raise, fix, and maintain prices for

1 TFT-LCD Panels in the United States and elsewhere, in violation of Section 1 of the Sherman
2 Act, 15 U.S.C. § 1.

3 192. In formulating and carrying out the alleged agreement, understanding, and
4 conspiracy, Defendants and their co-conspirators did those things that they combined and
5 conspired to do, including but not limited to the acts, practices, and course of conduct set forth
6 above, and the following, among others:

- 7 a. to fix, raise, maintain and stabilize the price of TFT-LCD Panels;
- 8 b. to allocate markets for TFT-LCD Panels among themselves;
- 9 c. to submit rigged bids for the award and performance of certain TFT-LCD
10 Panel contracts; and
- 11 d. to allocate among themselves the production of TFT-LCD Panels.

12 193. The combination and conspiracy alleged herein has had many adverse effects on
13 competition, including without limitation, the following effects, among others:

- 14 a. price competition in the sale of TFT-LCD Panels has been restrained,
15 suppressed, and/or eliminated throughout the United States and the world;
- 16 b. prices for TFT-LCD Panels sold by Defendants, their co-conspirators, and
17 others have been fixed, raised, maintained, and stabilized at artificially
18 high, supra-competitive levels throughout the United States and the world;
- 19 c. prices for TFT-LCD Products containing those TFT-LCD Panels have been
20 raised throughout the United States and the world; and
- 21 d. those who purchased TFT-LCD Panels produced by Defendants, their co-
22 conspirators, and others and TFT-LCD Products containing such TFT-LCD
23 Panels have been deprived of the benefits of free and open competition.

24 194. Plaintiff has been injured in its business and property by being forced to pay more
25 for TFT-LCD Panels and TFT-LCD Products manufactured by Defendants, their co-conspirators,
26 and others than it would have paid in the absence of Defendants' and their co-conspirators' price-
27 fixing conspiracy.

28

1 199. The aforesaid violations consisted, without limitation, of a continuing unlawful
2 trust and concert of action among Defendants and their co-conspirators, the substantial terms of
3 which were to fix, raise, maintain and stabilize the prices of, and to allocate markets for, TFT-
4 LCD Panels.

5 200. For the purpose of forming and effectuating the unlawful trust, Defendants and
6 their co- conspirators have done those things which they combined and conspired to do, including
7 but in no way limited to the acts, practices and course of conduct set forth above and the
8 following:

- 9 a. to fix, raise, maintain and stabilize the price of TFT-LCD Panels;
- 10 b. to allocate markets for TFT-LCD Panels amongst themselves;
- 11 c. to submit rigged bids for the award and performance of certain TFT-LCD
12 Panels contracts; and
- 13 d. to allocate among themselves the production of TFT-LCD Panels.

14 201. The combination and conspiracy alleged herein has had, inter alia, the following
15 effects:

- 16 a. price competition in the sale of TFT-LCD Panels has been restrained,
17 suppressed, and/or eliminated in the states listed below;
- 18 b. prices for TFT-LCD Panels sold by Defendants, their co-conspirators, and
19 others have been fixed, raised, maintained and stabilized at artificially high,
20 non-competitive levels in the states listed below; and
- 21 c. those who purchased TFT-LCD Panels from Defendants, their co-
22 conspirators, and others have been deprived of the benefits of free and open
23 competition.

24 202. As a result of the alleged conduct of Defendants and their co-conspirators, Plaintiff
25 paid supra-competitive, artificially inflated prices for the TFT-LCD Panels and TFT-LCD
26 Products it purchased during the Conspiracy Period.

27
28

1 203. By reason of the foregoing, Defendants and their co-conspirators have entered into
2 an agreement in restraint of trade in violation of California's Cartwright Act, California Business
3 and Professions Code §§ 16720, *et seq.*:

- 4 a. Defendants and their co-conspirators' conspiracy restrained, suppressed
5 and/or eliminated competition in the sale of TFT-LCD Panels in California
6 and fixed, raised, maintained and stabilized TFT-LCD Panel prices in
7 California at artificially high, non-competitive levels;
- 8 b. As a result, Defendants and their co-conspirators' conspiracy substantially
9 affected California commerce;
- 10 c. During the Conspiracy Period, Plaintiff purchased TFT-LCD Panels and
11 TFT-LCD Products containing price-fixed TFT-LCD Panels in California.
12 As a result, Plaintiff is entitled to the protection of the laws of California;
13 and
- 14 d. As a direct and proximate result of Defendants' and their co-conspirators'
15 conduct, Plaintiff has been injured in its business and property by suffering
16 consequential damages and paying more for TFT-LCD Panels and TFT-
17 LCD Products manufactured by Defendants, their co-conspirators, and
18 others than it would have paid in the absence of Defendants' and their co-
19 conspirators' combination and conspiracy, and is therefore entitled to relief
20 under California Business and Professions Code §§ 16720, *et seq.*

21 204. By reason of the foregoing, Defendants and their co-conspirators also have
22 engaged in unfair competition in violation of California's Unfair Competition Law, California
23 Business and Professional Code § 17200, *et seq.*

- 24 a. Defendants and their co-conspirators committed acts of unfair competition,
25 as defined by Section 17200 *et seq.*, by engaging in a conspiracy to fix and
26 stabilize the price of TFT-LCD Panels as described above;
- 27 b. Defendants' and their co-conspirators' acts, omissions, misrepresentations,
28 practices and non-disclosures, as described above, constitute a common,

1 continuous and continuing course of conduct of unfair competition by
 2 means of unfair, unlawful and/or fraudulent business acts or practices with
 3 the meaning of Section 17200, *et seq.*, including, but not limited to (1)
 4 violation of Section 1 of the Sherman Act; and (2) violation of the
 5 Cartwright Act;

6 c. Defendants' and their co-conspirators' acts, omissions, misrepresentations,
 7 practices and non-disclosures are unfair, unconscionable, unlawful and/or
 8 fraudulent independently of whether they constitute a violation of the
 9 Sherman Act or the Cartwright Act;

10 d. Defendants' and their co-conspirators' acts or practices are fraudulent or
 11 deceptive within the meaning of Section 17200, *et seq.*;

12 e. Defendants' and their co-conspirators' conduct was carried out,
 13 effectuated, and perfected within the state of California. LG Display, Co-
 14 conspirator Sharp, Defendant Chi Mei, Co-conspirator HannStar, and Co-
 15 conspirator Epson all admitted that acts in furtherance of the conspiracy to
 16 fix the price of TFT-LCD Panels were carried out in California;

17 f. During the Conspiracy Period, Plaintiff purchased price-fixed TFT-LCD
 18 Products imported into California. As a result, Plaintiff is entitled to the
 19 protection of the laws of California; and

20 205. By reason of the foregoing, Plaintiff is entitled to full restitution and/or
 21 disgorgement of all revenues, earnings, profits, compensation, and benefits that may have been
 22 obtained by Defendants or their co-conspirators as result of such business acts and practices.

23 **X. PRAYER FOR RELIEF**

24 WHEREFORE, Plaintiff requests:

25 A. That the unlawful agreement, conduct, contract, conspiracy or combination alleged
 26 herein be adjudged and decreed to be:

27 1. a restraint of trade or commerce in violation of Section 1 of the Sherman
 28 Act, as alleged in the First Claim for Relief; and

1 2. an unlawful combination, trust, agreement, understanding, concert of
2 action and/or unfair, deceptive, or fraudulent trade practice in violation of
3 the state antitrust and unfair competition laws identified in the Second
4 Claim for Relief.

5 B. That Plaintiff recover damages, as provided by federal and state antitrust laws, and
6 that judgments be entered in favor of Plaintiff against Defendants, jointly and severally, in an
7 amount to be trebled in accordance with such laws;

8 C. That Defendants, their affiliates, successors, transferees, assignees, and the
9 officers, directors, partners, agents, and employees thereof, and all other persons acting or
10 claiming to act on their behalf, be permanently enjoined and restrained from in any manner
11 continuing, maintaining, or renewing the illegal conduct, contract, conspiracy or combination
12 alleged herein, or from entering into any other conspiracy or combination having a similar
13 purpose or effect, and from adopting or following any practice, plan, program, or device having a
14 similar purpose or effect;

15 D. That Plaintiff be awarded pre-judgment and post-judgment interest, and that such
16 interest be awarded at the highest legal rate from and after the date of service of the initial
17 Complaint in this action;

18 E. That Plaintiff recover its costs and disbursements of this suit, including reasonable
19 attorneys' fees as provided by law; and

20 F. That Plaintiff be awarded such other, further, and different relief as the case may
21 require and the Court may deem just and proper under the circumstances.

22 **XI. JURY TRIAL DEMAND**

23 Pursuant to Federal Rules of Civil Procedure Rule 38(b), Plaintiff demands a trial by jury
24 for all issues so triable.

25
26
27
28

1 Dated: June 7, 2013

Respectfully submitted,

2

LIEFF CABRASER HEIMANN & BERNSTEIN, LLP

3

By: /s/ Brendan P. Glackin
Brendan P. Glackin

4

Richard M. Heimann (State Bar No. 063607)
rheimann@lchb.com
Eric B. Fastiff (State Bar No. 182260)
efastiff@lchb.com
Brendan P. Glackin (State Bar No. 199643)
bglackin@lchb.com
Marc A. Pilotin (State Bar No. 266369)
mpilotin@lchb.com
275 Battery Street, 29th Floor
San Francisco, CA 94111-3339
Telephone: 415.956.1000
Facsimile: 415.956.1008

11

BAUTE CROCHETIERE & WANG LLP
Mark D. Baute (State Bar No. 127329)
mbaute@bautelaw.com
Sean A. Andrade (State Bar No. 223591)
sandrade@bautelaw.com
777 South Figueroa Street, Suite 4900
Los Angeles, CA 90017
Telephone: 213.630.5000
Facsimile: 213.683.1225

16

TOUSLEY BRAIN STEPHENS PLLC
Christopher I. Brain (*pro hac vice*)
cbrain@tousley.com
Kim D. Stephens (*pro hac vice*)
kstephens@tousley.com
Chase C. Alvord (*pro hac vice*)
calvord@tousley.com
1700 Seventh Ave., Suite 2200
Seattle, WA 98101
Telephone: 206.682.5600
Facsimile: 206.682.2992

22

Attorneys for Plaintiff
Proview Technology Inc.

23

24

25

26

27

28