

Electronically Received

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14 UNITED STATES DISTRICT COURT
 15 NORTHERN DISTRICT OF CALIFORNIA
 16 SAN FRANCISCO DIVISION

17	IN RE TFT-LCD (FLAT PANEL))	No. 3:07-MD-1827 SI
18	ANTITRUST LITIGATION)	
19	_____)	MDL No. 1827
20	This Document Relates to:)	CLASS ACTION
21	All Indirect-Purchaser Actions)	INDIRECT-PURCHASER PLAINTIFFS'
22)	THIRD CONSOLIDATED AMENDED
23)	COMPLAINT
24)	DEMAND FOR JURY TRIAL

25 Plaintiffs, indirect purchasers of thin film transistor liquid crystal display (“LCD”) panels
 26 as defined below, on behalf of themselves and all other similarly-situated indirect-purchasers, for
 27 their Third Consolidated Amended Complaint against all defendants named herein, demand trial
 28 by jury of all claims properly triable thereby, and complain and allege as follows:

1 **I. INTRODUCTION**

2 1. This case arises out of a long-running conspiracy extending from at least January 1,
3 1999 through at least December 31, 2006, at a minimum, among defendants and their co-
4 conspirators, the purpose and effect of which was to fix, raise, stabilize, and maintain prices for
5 LCD panels sold indirectly to Plaintiffs and the members of the other indirect-purchaser classes
6 defined below.

7 2. Defendants and their co-conspirators formed an international cartel illegally to
8 restrict competition in the LCD panel market, specifically targeting and severely injuring indirect-
9 purchaser consumers and affecting billions of dollars of commerce throughout the United States.
10 The conspiracy included communications and meetings in which defendants agreed to eliminate
11 competition and fix the prices for LCD panels. As a result of defendants' price fixing conspiracy,
12 plaintiffs and the members of the indirect-purchaser classes have been injured in their business and
13 property by paying more for LCD panels than they otherwise would have paid in the absence of
14 defendants' conspiracy.

15 **II. JURISDICTION AND VENUE**

16 3. This action is brought under Section 16 of the Clayton Act (15 U.S.C. 26) to secure
17 equitable relief against the defendants due to their violations of Section 1 of the Sherman Act (15
18 U.S.C. 1), as well as under the antitrust and other laws of the State of California and of the other
19 States listed herein, to obtain restitution, recover damages, and to secure other relief against the
20 defendants for violations of those state laws.

21 4. This Court has subject matter jurisdiction of the federal antitrust claims asserted in
22 this action under Section 16 of the Clayton Antitrust Act (15 U.S.C. 26), Section 1 of the Sherman
23 Act (15 U.S.C.1) and Title 28, United States Code, Sections 1331 and 1337. This Court has
24 subject matter jurisdiction of the state-law claims asserted in this action under Title 28, United
25 States Code, Sections 1332(d) and 1367, in that the matter in controversy exceeds the sum of \$5
26 million exclusive of interest and costs, members of the indirect-purchaser plaintiff class are
27 citizens of states different from defendants, and certain defendants are citizens or subjects of
28 foreign states.

1 5. Venue is proper in this Judicial District pursuant to Section 12 of the Clayton Act
2 (15 U.S.C 22) and Title 28, United States Code, Section 1391(b), (c), and (d), because a
3 substantial part of the events giving rise to plaintiffs' claims occurred in this District, a substantial
4 portion of the affected interstate trade and commerce was carried out in this District, and one or
5 more of the defendants has an agent, maintains an office or does business in this District.

6 6. Defendants conduct business throughout the United States, including in this
7 jurisdiction, and they have purposefully availed themselves of the laws of the United States,
8 including specifically the laws of the state of California and the individual states listed herein.
9 Defendants' products are sold in the flow of interstate commerce, and defendants' activities had a
10 direct, substantial and reasonably foreseeable effect on such commerce.

11 7. Defendants' conspiracy to fix prices of LCD panels substantially affected
12 commerce throughout the United States and in each of the states identified herein because
13 defendants, directly and/or through their agents, engaged in activities affecting each such state.
14 Defendants have purposefully availed themselves of the laws of each of the states identified herein
15 in connection with their activities relating to the production, marketing, and sale of LCD panels.
16 Defendants produced, promoted, sold, marketed, and/or distributed LCD panels, thereby
17 purposefully profiting from access to indirect-purchaser consumers in each such state. As a result
18 of the activities described herein, defendants:

- 19 a. Caused damage to the residents of the states identified herein;
- 20 b. Caused damage in each of the states identified herein by acts or
21 omissions committed outside each such state and by regularly doing
22 or soliciting business in each such state;
- 23 c. Engaged in persistent courses of conduct within each such state
24 and/or derived substantial revenue from the marketing of LCD
25 panels or the products in which they are used in each such state (and
26 services relating to such marketing); and
- 27 d. Committed acts or omissions that they knew or should have known
28 would cause damage (and did, in fact, cause such damage) in each

1 such state while regularly doing or soliciting business in each such
2 state, engaging in other persistent courses of conduct in each such
3 state, and/or deriving substantial revenue from the marketing of
4 LCD panels or the products in which they are used in each such
5 state.

6 8. The conspiracy described herein affected adversely every person nationwide, and,
7 more particularly, consumers in each of the states identified in this Complaint who indirectly
8 purchased defendants' LCD panels. Defendants' conspiracy has resulted in an adverse monetary
9 effect on indirect-purchasers in each state identified herein.

10 9. Prices of LCD panels in each state identified in this Complaint were raised to supra-
11 competitive levels by the defendants and their co-conspirators. Defendants knew that commerce
12 in LCD panels and LCD-containing products in each of the states identified herein would be
13 adversely affected by implementing their conspiracy.

14 **III. DEFINITIONS**

15 10. As used herein, the phrase "LCD" means the LCD display technology that involves
16 sandwiching a liquid crystal compound between two glass plates called "substrates." The resulting
17 screen contains hundreds or thousands of eclectically charged dots, called pixels, that form an
18 image. This panel is then combined with a backlight unit, a driver, and other equipment to create a
19 "module" allowing the panel to operate and be integrated into a television, computer monitor or
20 other product.

21 11. As used herein, the term "LCD panel" refers to the particular kinds of LCD panels
22 that are used in LCD products.

23 12. As used herein, the phrase "LCD products" means the following products of which
24 LCD panels are a component: televisions, computer monitors, and laptop computers.

25 13. As used herein, the term "OEM" means any original equipment manufacturer of
26 LCD products.

27 14. As used herein, the term "ODM" means any original design manufacturer of LCD
28 products.

1 15. As used herein, the phrase "Class Period" refers to the time period January 1, 1999
2 through December 31, 2006.

3 **IV. THE PARTIES**

4 **A. The Plaintiffs**

5 16. During the Class Period, the following named Plaintiffs indirectly purchased LCD
6 panels contained in LCD products from one or more of the defendants named herein for end use
7 and not for resale.

8 17. Plaintiff Allan Rotman, a resident of Arizona, indirectly purchased an LCD panel
9 when he purchased a Dell 17" computer monitor, and was injured as a result of defendants' illegal
10 conduct.

11 18. Plaintiff Joe Solo, a resident of California, indirectly purchased an LCD panel when
12 he purchased a Sharp Aquos television, and was injured as a result of defendants' illegal conduct.

13 19. Plaintiff Lisa Blackwell, a resident of California, indirectly purchased LCD panels
14 when she purchased an Apple computer monitor and an Apple MacBook laptop, and was injured
15 as a result of defendants' illegal conduct.

16 20. Plaintiff Byron Ho, a resident of California, indirectly purchased an LCD panel
17 when he purchased a Hyundai 17" computer monitor, and was injured as a result of defendants'
18 illegal conduct.

19 21. Plaintiff Frederick Rozo, a resident of California, indirectly purchased an LCD
20 panel when he purchased a Dell Inspiron laptop computer, and was injured as a result of
21 defendants' illegal conduct.

22 22. Plaintiff Robert Kerson, a resident of California, indirectly purchased an LCD panel
23 when he purchased a Sharp television, and was injured as a result of the defendants' illegal
24 conduct.

25 23. Plaintiff Steven Martel, a resident of California, indirectly purchased an LCD panel
26 when he purchased a Sharp Aquos television, and was injured as a result of defendants' illegal
27 conduct.

28 24. Plaintiff David Walker, a resident of Washington D.C., indirectly purchased an

1 LCD panel when he purchased a Norcent 27” television, and was injured as a result of defendants’
2 illegal conduct.

3 25. Plaintiff Scott Eisler, a resident of Florida, indirectly purchased an LCD panel when
4 he purchased an Acer computer monitor, and was injured as a result of defendants’ illegal conduct.

5 26. Plaintiff Robin Feins, a resident of Florida, indirectly purchased LCD panels when
6 she purchased two Sharp Aquos televisions, and was injured as a result of defendants’ illegal
7 conduct.

8 27. Plaintiff John Okita, a resident of Hawaii, indirectly purchased LCD panels when
9 he purchased an HP laptop computer and a Cornea computer monitor, and was injured as a result
10 of defendants’ illegal conduct.

11 28. Plaintiff Ben Northway, a resident of Iowa, indirectly purchased an LCD panel
12 when he purchased a Dell 19” computer monitor, and was injured as a result of the defendants’
13 illegal conduct.

14 29. Plaintiff Rex Getz, a resident of Kansas, indirectly purchased an LCD panel when
15 he purchased a Vivitek 32” television, and was injured as a result of defendants’ illegal conduct.

16 30. Plaintiff Kou Srimoungchanh, a resident of Kansas, indirectly purchased LCD
17 panels when he purchased a Sony Vaio laptop, a Sony LCD TV, and a Toshiba 17” laptop, and
18 was injured as a result of defendants’ illegal conduct.

19 31. Plaintiff Christopher Murphy, a resident of Massachusetts, indirectly purchased
20 LCD panels when he purchased a Samsung 15” television and a Compaq EVO laptop computer,
21 and was injured as a result of defendants’ illegal conduct.

22 32. Plaintiff Patricia Giles, a resident of Maine, indirectly purchased LCD panels when
23 she purchased a Panasonic 17” television and a Sony 15” computer monitor, and was injured as a
24 result of defendants’ illegal conduct.

25 33. Plaintiff Gladys Baker, a resident of Michigan, indirectly purchased an LCD panel
26 when she purchased a Dell Inspiron 1100 laptop computer, and was injured as a result of
27 defendants’ illegal conduct.

28 34. Plaintiff Judy Griffith, a resident of Michigan, indirectly purchased LCD panels

1 when she purchased two HP Pavilion laptop computers, and was injured as a result of the
2 defendants' illegal conduct.

3 35. Plaintiff Ling-Hung Jou, a resident of Michigan, indirectly purchased an LCD panel
4 when he purchased a Maxent television, and was injured as a result of defendants' illegal conduct.

5 36. Plaintiff Martha Mulvey, a resident of Minnesota, indirectly purchased an LCD
6 panel when she purchased a Sony computer monitor, and was injured as a result of defendants'
7 illegal conduct.

8 37. Plaintiff Cynthia Saia, a resident of Mississippi, indirectly purchased an LCD panel
9 when she purchased a Dell computer monitor, and was injured as a result of defendants' illegal
10 conduct.

11 38. Plaintiff Benjamin Larry Luber, a resident of Missouri, indirectly purchased LCD
12 panels when he purchased two Sony Vaio laptops, and was injured as a result of defendants'
13 illegal conduct.

14 39. Plaintiff Donna Jeanne Flanagan, a resident of North Carolina, indirectly purchased
15 an LCD panel when she purchased an Apple computer monitor, and was injured as a result of
16 defendants' illegal conduct.

17 40. Plaintiff Bob George, a resident of North Dakota, indirectly purchased LCD panels
18 when he purchased a Sylvania 15" television and a Hitachi 50" television, and was injured as a
19 result of defendants' illegal conduct.

20 41. Plaintiff Thomas Clark, a resident of New Mexico, indirectly purchased an LCD
21 panel when he purchased a Dell Inspiron laptop computer, and was injured as a result of
22 defendants' illegal conduct.

23 42. Plaintiff Marcia Weingarten, a resident of New Mexico, indirectly purchased LCD
24 panels when she purchased a Gem Silver 17" computer monitor and a Neovo 17" computer
25 monitor, and was injured as a result of defendants' illegal conduct.

26 43. Plaintiff Allen Kelley, a resident of Nevada, indirectly purchased an LCD panel
27 when he purchased an HP 17" computer monitor, and was injured as a result of defendants' illegal
28 conduct.

1 44. Plaintiff Tom DiMatteo, a resident of New York, indirectly purchased an LCD
2 panel when he purchased an Apple 30" computer monitor, and was injured as a result of
3 defendants' illegal conduct.

4 45. Plaintiff Chris Ferencsik, a resident of New York, indirectly purchased an LCD
5 panel when he purchased a Sharp 37" television, and was injured as a result of defendants' illegal
6 conduct.

7 46. Plaintiff Dr. Robert Mastronardi, a resident of Rhode Island, indirectly purchased
8 LCD panels when he purchased two Dell laptop computers and a Sylvania computer monitor, and
9 was injured as a result of defendants' illegal conduct.

10 47. Plaintiff Christopher Bessette, a resident of South Dakota, indirectly purchased an
11 LCD panel when he purchased a Dell computer monitor, and was injured as a result of defendants'
12 illegal conduct.

13 48. Plaintiff Chad Hansen, a resident of South Dakota, indirectly purchased LCD
14 panels when he purchased an LG 42" television, a Dell Inspiron laptop computer, and a Dell 20"
15 computer monitor, and was injured as a result of defendants' illegal conduct.

16 49. Plaintiff Scott Beall, a resident of Tennessee, indirectly purchased LCD panels
17 when he purchased a Samsung 14" computer monitor and a Sony 60" television, and was injured as
18 a result of defendants' illegal conduct.

19 50. Plaintiff Dena Williams, a resident of Tennessee, indirectly purchased an LCD
20 panel when she purchased a Dell 19" computer monitor, and was injured as a result of defendants'
21 illegal conduct.

22 51. Plaintiff Robert Watson, a resident of Vermont, indirectly purchased an LCD panel
23 when he purchased a Gateway 14" laptop computer, and was injured as a result of defendants'
24 illegal conduct.

25 52. Plaintiff Joe Kovacevich, a resident of Wisconsin, indirectly purchased an LCD
26 panel when he purchased a Dell 17" computer monitor, and was injured as a result of defendants'
27 illegal conduct.

28 53. Plaintiff Jai Paguirigan, a resident of Wisconsin, indirectly purchased an LCD panel

1 when he purchased a Planar 17” computer monitor, and was injured as a result of defendants’
2 illegal conduct.

3 54. Plaintiff John Matrich, a resident of West Virginia, indirectly purchased an LCD
4 panel when he purchased a Dell 19” computer monitor, and was injured as a result of defendants’
5 illegal conduct.

6 55. Plaintiffs and the members of the Indirect-Purchaser Class were injured in their
7 businesses or property as a result of defendants’ illegal price-fixing agreement because they paid
8 more for LCD products than they would have absent such illegal conduct.

9 **B. The Defendants**

10 56. AU Optronics Corporation, one of the largest manufacturers of LCD panels, with
11 its corporate headquarters at No. 1, Li-Hsin Rd. 2, Hsinchu Science Park, Hsinchu 30078, Taiwan,
12 is hereby named as a defendant. AU Optronics Corporation was formed by the 2001 merger of
13 Unipac Optoelectronics and Acer Display Technology Inc.. AU Optronics Corporation acquired
14 Quanta Display Inc. in 2006. During the Class Period, said defendant manufactured, marketed,
15 sold and/or distributed LCD panels to customers throughout the United States.

16 a. Unipac Optoelectronics (“Unipac”), a former Taiwanese LCD panel
17 manufacturer and an affiliate of United Microelectronics Corp.
18 (“UMC”), was founded in November 1990. Unipac later merged
19 with Acer Display Technology Inc. to form defendant AU Optronics
20 Corporation in September 2001;

21 b. Acer Display Technology Inc. (“ADT”), a former Taiwanese LCD
22 panel manufacturer and an affiliate of the Acer Group, was founded
23 in August 1996. Acer later merged with Unipac to form defendant
24 AU Optronics Corporation in September 2001. ADT and Unipac
25 shared equal partnership in AU Optronics Corporation. ADT
26 Chairman K.Y. (Kuen-Yao) Lee had continued in his role as
27 Chairman and CEO of AU Optronics Corporation during the Class
28 Period;

1 c. Quanta Display Inc. (“QDI”), a former Taiwanese LCD panel
2 manufacturer and a subsidiary of Quanta Computer Inc., was
3 founded in July 1999. QDI was absorbed into defendant AU
4 Optronics Corporation through merger in October 2006, with the
5 later assuming all rights and obligations of QDI.

6 57. AU Optronics Corporation America, Inc., a wholly owned and controlled subsidiary
7 of defendant AU Optronics Corporation, with its corporate headquarters at 9720 Cypresswood
8 Drive, Suite 241, Houston, Texas and facilities located in San Diego and Cupertino, California, is
9 hereby named as a defendant. During the Class Period, said defendant manufactured, marketed,
10 sold and/or distributed LCD panels to customers throughout the United States.

11 58. Defendants AU Optronics Corporation and AU Optronics Corporation America,
12 Inc. are referred to collectively herein as “AU Optronics.”

13 59. Chi Mei Corporation, another of the largest manufacturers of LCD panels, with its
14 corporate headquarters at No. 11-2, Jen Te 4th St., Jen Te Village, Jen Te, Tainan 717, Taiwan, is
15 hereby named as a defendant. During the Class Period, said defendant manufactured, marketed,
16 sold and/or distributed LCD panels to customers throughout the United States.

17 60. Chimei Innolux Corporation, another of the largest manufacturers of LCD panels,
18 with its principal place of business located at No. 160 Kesuyue Rd., Chu-Nan Site, Hsinchu Science
19 Park Chu-Nan, Miao-Li, Taiwan, is hereby named as a defendant. During the Class Period, said
20 defendant manufactured, marketed, sold and/or distributed LCD panels to customers throughout
21 the United States.

22 a. Chimei Innolux Corporation was formed on March 18, 2010 by a
23 three-way merger of Chi Mei Optoelectronics Corp., Innolux
24 Display Corp., and TPO Displays Corp., through exchanges of
25 shares. The surviving company of the merger renamed itself
26 “Chimei Innolux Corporation.” TPO Display Corp. and Chi Mei
27 Optoelectronics Corp. were dissolved after the merger.
28

- 1 b. Chi Mei Optoelectronics Corporation was a former LCD panel
2 manufacturer, with its global headquarters at No. 3, Sec. 1, Huanshi
3 Rd., Southern Taiwan Science Park, Sinshih Township, Tainan
4 County, 74147 Taiwan.
- 5 c. Innolux Display Corp. was a former LCD panel manufacturer, with
6 its principal place of business located at No. 160 Kesyue Rd., Chu-
7 Nan Site, Hsinchu Science Park Chu-Nan, Miao-Li, Taiwan.
- 8 d. Prior to the merger, Chi Mei Optoelectronics Corp. Innolux Display
9 Corp., and TPO Displays Corp. manufactured, marketed, sold
10 and/or distributed LCD panels to customers throughout the United
11 States.

12 61. Chi Mei Optoelectronics USA, Inc., *f/k/a* International Display Technology USA,
13 Inc., a wholly owned and controlled subsidiary of Chi Mei Corporation, with its corporate
14 headquarters at 101 Metro Drive Suite 510, San Jose, California, is hereby named as a defendant.
15 During the Class Period, said defendant manufactured, marketed, sold and/or distributed LCD
16 panels to customers throughout the United States.

17 62. CMO Japan Co., Ltd., *f/k/a* International Display Technology, Ltd., a subsidiary of
18 Chi Mei Corporation, with its principal place of business located at Nansei Yaesu Bldg. 3F, 2-2-10
19 Yaesu, Chuo-Ku, Tokyo 104-0028, Japan, is hereby named as a defendant. During the Class
20 Period, said defendant manufactured, marketed, sold and/or distributed LCD panels to customers
21 throughout the United States.

22 63. Defendants Chi Mei Corporation, Chimei Innolux Corporation, Chi Mei
23 Optoelectronics USA, Inc., and CMO Japan Co., Ltd., are referred to collectively herein as “Chi
24 Mei.”

25 64. Chunghwa Picture Tubes Ltd. (“Chunghwa”), a leading manufacturer of LCD
26 products, with its global headquarters at 1127 Hopin Rd., Padeh City, Taoyuan, Taiwan, is hereby
27 named as a defendant. During the Class Period, said defendant manufactured, marketed, sold
28 and/or distributed LCD panels to customers throughout the United States.

1 65. HannStar Display Corporation (“HannStar”), with its headquarters at No. 480,
2 Rueiguang Road, 12th Floor, Neihu Chiu, Taipei 114, Taiwan, is hereby named as a defendant.
3 During the Class Period, said defendant manufactured, marketed, sold and/or distributed LCD
4 panels to customers throughout the United States.

5 66. Hitachi, Ltd., with its headquarters at 6-6 marunouchi 1-chome, Chiyoda-ku,
6 Tokyo, 100-8280, Japan, is hereby named as a defendant. During the Class Period, said defendant
7 manufactured, marketed, sold and/or distributed LCD panels to customers throughout the United
8 States.

9 67. Hitachi Displays, Ltd., with its principal place of business located at AKS Bldg. 5F,
10 6-2 Kanda Neribeicho 3, Chiyoda-ku, Tokyo, 101-0022, Japan, is hereby named as a defendant.
11 During the Class Period, said defendant manufactured, marketed, sold and/or distributed LCD
12 panels to customers throughout the United States.

13 68. Hitachi Electronic Devices (USA), Inc., a wholly owned and controlled subsidiary
14 of defendant Hitachi Ltd., with its principal place of business located at 575 Mauldin Road,
15 Greenville, South Carolina 29607, is hereby named as a defendant. During the Class Period, said
16 defendant manufactured, marketed, sold and/or distributed LCD panels to customers throughout
17 the United States.

18 69. Defendants Hitachi, Ltd., Hitachi Displays Ltd., and Hitachi Electronic Devices
19 (USA), Inc. are referred to collectively herein as “Hitachi.”

20 70. LG Display Co., Ltd., f/k/a LG Phillips LCD Co., Ltd., a leading manufacturer of
21 LCD panels and a joint venture created in 1999 by Philips Electronics NV and LG LCD, which
22 maintains offices within this District in San Jose, California, and which has its principal place of
23 business located at 20 Yoido-dong, Youngdungpo-gu, Seoul, 150-721, Republic of Korea, is
24 hereby named as a defendant. During the Class Period, said defendant manufactured, marketed,
25 sold and/or distributed LCD panels to customers throughout the United States.

26 71. LG Display America, Inc. f/k/a LGD LCD America, Inc., with its principal place of
27 business located at 150 East Brokaw Rd., San Jose, CA 95112, is hereby named as a defendant.
28 During the Class Period, said defendant manufactured, marketed, sold and/or distributed LCD

1 panels to customers throughout the United States.

2 72. Defendants LG Display Co., Ltd. and LG Display America, Inc. are referred to
3 collectively herein as “LGD.”

4 73. Samsung Electronics Co., Ltd., with its principal place of business at Samsung
5 Main Building, 250-2 ga, Taepyung-ro Chung-gu, Seoul, Republic of Korea, is hereby named as a
6 defendant. During the Class Period, said defendant manufactured, marketed, sold and/or
7 distributed LCD panels to customers throughout the United States.

8 74. Samsung Semiconductor, Inc., a wholly-owned and controlled subsidiary of
9 Samsung Electronics Co., Ltd., with its principal place of business at 3655 North First Street, San
10 Jose, California 95134, is hereby named as a defendant. During the Class Period, said defendant
11 manufactured, marketed, sold and/or distributed LCD panels to customers throughout the United
12 States.

13 75. Samsung Electronics America, Inc., a wholly-owned and controlled subsidiary of
14 defendant Samsung Electronics Company, Ltd., with its principal place of business at 105
15 Challenger Road, Ridgefield Park, New Jersey, is hereby named as a defendant. During the Class
16 Period, Samsung Electronics America, Inc. sold and distributed LCD Products manufactured by
17 Samsung Electronics Co., Ltd. to consumers throughout the United States.

18 76. Defendants Samsung Electronics Co., Ltd., Samsung Semiconductor, Inc., and
19 Samsung Electronics America, Inc. are referred to collectively herein as “Samsung.”

20 77. Sharp Corporation, with its principal place of business at 22-22 Nagaike-cho,
21 Abeno-ku, Osaka 545-8522, Japan, is hereby named as a defendant. During the Class Period, said
22 defendant manufactured, marketed, sold and/or distributed LCD panels to customers throughout
23 the United States.

24 78. Sharp Electronics Corporation, a wholly owned and controlled subsidiary of Sharp
25 Corporation with its principal place of business at Sharp Plaza, Mahwah, New Jersey, 07430, is
26 hereby named as a defendant. During the Class Period, said defendant manufactured, marketed,
27 sold and/or distributed LCD panels to customers throughout the United States.

28 79. Defendants Sharp Corporation and Sharp Electronics Corporation are referred to

1 collectively herein as “Sharp.”

2 80. Toshiba Corporation, with its principal place of business at 1-1, Shibaura 1-chome,
3 Minato-ku, Tokyo, 105-8001, Japan, is hereby named as a defendant. During the Class Period,
4 said defendant manufactured, marketed, sold and/or distributed LCD panels to customers
5 throughout the United States.

6 81. Toshiba Matsushita Display Technology Co., Ltd., with its principal place of
7 business located at Rivage Shinagawa, 1-8, Konan 4-chome, Minato-ku, Tokyo, 108-0075, Japan,
8 is hereby named as a defendant. During the Class Period, said defendant manufactured, marketed,
9 sold and/or distributed LCD panels to customers throughout the United States.

10 82. Toshiba America Electronics Components, Inc., a wholly owned and controlled
11 subsidiary of defendant Toshiba Corporation with its corporate headquarters at 19900 MacArthur
12 Blvd., Ste. 400, Irvine, CA 92612, is hereby named as a defendant. During the Class Period, said
13 defendant manufactured, marketed, sold and/or distributed LCD panels to customers throughout
14 the United States.

15 83. Toshiba America Information Systems, Inc., a California corporation with its
16 principal place of business at 9470 Irvine Boulevard, Irvine, California, is hereby named as a
17 defendant. Toshiba America Information Systems, Inc. is a wholly-owned and controlled
18 subsidiary of Toshiba America, Inc. During the Class Period, Toshiba America Information
19 Systems, Inc. sold and distributed TFT-LCD Products manufactured by Toshiba Corporation to
20 customers throughout the United States.

21 84. Defendants Toshiba Corporation, Toshiba Matsushita Display Technology Co.,
22 Ltd., Toshiba America Electronic Components, Inc., and Toshiba America Information Systems,
23 Inc. are referred to collectively herein as “Toshiba.”

24 85. Epson Imaging Devices Corporation (“EIDC”), a Japanese Company with its
25 principal place of business in Tottori, Japan is hereby named as a defendant. EIDC was originally
26 formed as Sanyo Epson Imaging Devices Corporation on October 1, 2004 as a joint venture co-
27 owned by Seiko Epson Corporation and Sanyo Electric Co., Ltd. As of December 28, 2006, Sanyo
28 Epson Imaging Devices Corporation became a wholly-owned subsidiary of Seiko Epson

1 Corporation and changed its name to EIDC. During the Class Period EIDC manufactured, sold
2 and/or distributed LCD panels to customers throughout the United States.

3 86. Wherever in this complaint a family of defendant-corporate entities is referred to by
4 a common name, it shall be understood that plaintiffs are alleging that one or more officers or
5 employees of one or more of the named related defendant companies participated in the illegal acts
6 alleged herein on behalf of all of the related corporate family entities.

7 **C. Co-Conspirators**

8 87. Various persons and entities participated as co-conspirators in the violations
9 alleged herein and performed acts and made statements in furtherance thereof. These co-
10 conspirators include, but are no limited to, the companies listed in the following paragraphs.

11 88. Co-conspirator Fujitsu Display Technologies Corporation (“FDTC”) is a Japanese
12 entity with its principal place of business at 4-1-1, Kamikodanaka, Nakahara-Ku, Japan. FDTC
13 was established in June 2002 by a merger between Fujitsu Ltd.’s LCD business unit and Yonago
14 Fujitsu, a wholly-owned subsidiary of Fujitsu Ltd. During the Class Period, FDTC manufactured,
15 sold and distributed LCD panels to customers throughout the United States.

16 89. Co-conspirator Hydis Technologies Co., Ltd., f/k/a BOE Hydis Technology Co.,
17 Ltd., is a Korean entity with its principal place of business located at San 136-1, Ami-ri, Bubal-
18 eub, Icheon-si, Gyeonggi-do 467-866, South Korea. BOE-Hydis is a Chinese entity formed when
19 BOE Group, China, took over Korean chipmaker Hynix Semiconductor’s TFT-LCD business in
20 January 2003. BOE-Hydis then established BOE OT in June of 2003, a division that began mass
21 production of a 5G TFT-LCD fab in 2005. Both BOE Hydis and BOE OT are affiliates of the
22 BOE Group, which is also the main shareholder of TPV Technology, one of the world’s largest
23 monitor manufacturers. During the Class Period, Hydis Technologies Co., Ltd., f/k/a BOE Hydis
24 Technology Co., Ltd., BOE OT, and BOE Group manufactured, sold and distributed LCD panels
25 to customers throughout the United States.

26 90. Co-conspirator Mitsubishi Electric Corporation, is a Japanese entity with its
27 principal place of business located at Tokyo Building 2-7-3, Marunouchi, Chiyoda-ku, Tokyo 100-
28 8310, Japan. Mitsubishi Electric Corporation began mass production of TFT-LCD panels in

1 December of 1995. It also founded a partnership with Asahi Glass Company to form Advanced
2 Display Inc. (ADI), which developed and manufactured mainly large-area TFT-LCD panels at the
3 Shisui fab and began LCD production in spring of 1996. In September 1999, Mitsubishi Electric
4 Corporation purchased Asahi Glass Company's stake in ADI, making it a wholly-owned
5 subsidiary. During the Class Period, Mitsubishi Electric Corporation manufactured, sold and
6 distributed LCD panels to customers throughout the United States.

7 91. Co-conspirator Mitsubishi Electric & Electronics USA, Inc., is a wholly owned
8 subsidiary of Mitsubishi Electric Corporation, with its principal place of business located at 5665
9 Plaza Drive, Cypress, California 90630-0007. During the Class Period, Mitsubishi Electric &
10 Electronics USA, Inc. manufactured, sold and distributed LCD panels to customers throughout the
11 United States.

12 92. Co-conspirators Mitsubishi Electric Corporation and Mitsubishi Electric &
13 Electronics USA, Inc. are referred to collectively herein as "Mitsubishi."

14 93. Co-conspirator NEC Corporation, is a Japanese entity with its principal place of
15 business located at 7-1, Shiba 5-chome, Minato-ku, Tokyo 108-8001, Japan. During the Class
16 Period, either directly or indirectly through wholly-owned and controlled subsidiaries or through
17 combinations with other defendants, NEC Corporation manufactured, sold and distributed LCD
18 panels to customers throughout the United States.

19 94. Co-conspirator NEC LCD Technologies, Ltd. is a Japanese entity with its principal
20 place of business located at 1753 Shimonumabe, Nakahara-Ku, Kawasaki, Kanagawa 211-8666,
21 Japan. During the Class Period, either directly or indirectly through other NEC entities, NEC LCD
22 Technologies manufactured, sold and distributed LCD panels to customers throughout the United
23 States.

24 95. Co-conspirator NEC Electronics America, Inc. is a wholly-owned and controlled
25 subsidiary of NEC Corporation, with its principal place of business located at 2880 Scott
26 Boulevard, Santa Clara, CA 95050-2554 and its manufacturing plant in Roseville, California.
27 During the Class Period, NEC Electronics America manufactured, sold and distributed LCD
28 panels to customers throughout the United States.

1 96. Co-conspirators NEC Corporation, NEC LCD Technologies, Ltd., and NEC
2 Electronics America, Inc. are referred to collectively herein as “NEC.”

3 97. Co-conspirator Panasonic Corporation, is a Japanese entity with its principal place
4 of business at 1006 Oaza Kadoma, Kadoma, Osaka 571-8501, Japan. Up until October 1, 2008,
5 Panasonic Corporation was known as Matsushita Electric Industrial Co., Ltd. In April 2002,
6 Panasonic Corporation (f/k/a Matsushita Electric Industrial Co., Ltd.) and Toshiba Corporation
7 combined their respective LCD panel operations and established the joint venture company
8 Toshiba Matsushita Display Technology Co., Ltd. During the Class Period, either directly or
9 indirectly through wholly-owned and controlled subsidiaries or through combination with other
10 defendants, Panasonic Corporation manufactured, sold and distributed LCD panels to customers
11 throughout the United States.

12 98. Co-conspirator Panasonic Corporation of North America, formerly known as
13 Matsushita Electric Corporation of America, is a Delaware corporation with its principal place of
14 business located at 1 Panasonic Way, Secaucus, New Jersey. Panasonic Corporation of North
15 America is a wholly-owned and controlled subsidiary of co-conspirator Panasonic Corporation.
16 During the Class Period, Panasonic Corporation of North America sold and distributed LCD
17 products manufactured by Panasonic Corporation to customers throughout the United States.

18 99. Co-conspirators Panasonic Corporation and Panasonic Corporation of North
19 America are referred to collectively herein as “Panasonic.”

20 100. Co-conspirator Sony Corporation (“Sony”) is a Japanese entity with its principal
21 place of business at 1-7-1 Konan, Minato-ku, Tokyo 108-0075, Japan. During the Class Period,
22 either directly or indirectly through wholly-owned and controlled subsidiaries or through
23 combinations with other defendants, Sony manufactured, sold and distributed LCD panels to
24 customers throughout the United States.

25 101. Co-conspirator S-LCD Corporation (“S-LCD”) is a Korean entity with its principal
26 place of business at Tangjung, Asan-City, ChungCheongMan-Do, Korea. S-LCD is a joint venture
27 owned 50 percent plus one share by Samsung and 50 percent minus one share by Sony. During
28

1 the Class Period, S-LCD directly or indirectly manufactured, sold and distributed LCD panels to
2 customers throughout the United States.

3 102. Other co-conspirators whose identities are known to plaintiffs include the following
4 companies with whom Plaintiffs have entered into tolling agreements: LG Electronics, Inc. and
5 LG Electronics USA, Inc. (“LG Electronics”); and Royal Philips Electronics N.V. and Philips
6 Electronics North America Corp. (“Philips Electronics”).

7 103. Various other persons, firms and corporations, not named as defendants herein, and
8 presently unknown to plaintiffs, have participated as co-conspirators with defendants and have
9 performed acts and made statements in furtherance of the conspiracy and/or in furtherance of the
10 anticompetitive, unfair or deceptive conduct. Plaintiffs reserve the right to add some or all of them
11 as named defendants at a later date.

12 104. The acts charged in this Complaint have been done by defendants and their co-
13 conspirators, or were authorized, ordered, or done by their respective officers, agents, employees,
14 or representatives while actively engaged in the management of each defendant’s business or
15 affairs.

16 105. Each of the defendants named herein acted as the agent or joint venturer of or for
17 the other defendants with respect to the acts, violations and common course of conduct alleged
18 herein. Each defendant that is a wholly-owned subsidiary of a foreign parent is the United States
19 agent for its parent company.

20 **V. NATURE OF TRADE AND COMMERCE**

21 **A. LCD Panels.**

22 106. LCD is a type of display technology utilized in products including TVs, computer
23 monitors, laptops, mobile phones, digital cameras, and numerous other electronic products. LCD
24 panels are the dominant form of display screen in the TV, computer monitor, and laptop industries.
25 Computer monitors now comprise approximately 50% of revenues for the large LCD products
26 market, with TVs and laptop computers accounting for approximately 27% and 21% of revenues,
27 respectively. All other LCD products combined accounted for between 2-5% of LCD panel
28 revenues during the Class Period.

1 107. LCD technology offers benefits over both traditional cathode-ray tube (CRT)
2 technology and the other flat screen technology, commonly called “plasma.” LCD is thin and light
3 and uses low power. Thus, unlike CRTs, which are heavy and bulky, LCD panels can fit into a
4 laptop and permit mobility. Because a CRT is so bulky, CRTs have never been used in laptop
5 computers. For TVs and monitors, LCD panels use less space than traditional CRT technology,
6 can be mounted on a wall because of their light weight, and offer superior viewing angles.

7 108. The other flat panel technology, plasma, is not practical for use in laptops.
8 Because plasma has a high power requirement, it “runs hot” and cannot be operated by battery
9 power. In addition, because of problems called “burn-in” and the fragility of the plasma panel
10 itself, plasma has not been used in the laptop market. Thus, normally only LCD panels are used to
11 make laptops.

12 109. LCD technology dominates the flat panel market. It has virtually 100% market
13 share for laptops and flat panel computer monitors, and at least 80% market share for flat panel
14 TVs.

15 **B. Manufacturing An LCD Panel.**

16 110. The technology behind LCDs is not new. In the 1950s and 1960s, RCA Corp.
17 researched whether liquid crystals could be the basis for lightweight, low-power display
18 technology. In the 1970s, after RCA Corp. discontinued its efforts, Japanese companies took the
19 lead in commercializing liquid crystal technology. These efforts resulted in monochrome
20 calculators and watches. By the early 1990s, liquid crystal technology was introduced in notebook
21 computers and small, low-resolution televisions. In the mid-1990s, the technology advanced
22 further with the development of LCDs.

23 111. LCD uses liquid crystal to control the passage of light. More specifically, an LCD
24 panel is made of two glass sheets sandwiching a layer of liquid crystal. The front glass sheet is
25 fitted with a color filter, while the back glass substrate has transistors fabricated on it. When
26 voltage is applied to a transistor, the liquid crystal is bent, allowing light to pass through to form a
27 pixel. The front glass sheet contains a color filter, which gives each pixel its own color. The
28 combination of these pixels in different colors forms the image on the panel.

1 112. There are significant manufacturing and technological barriers to entry in the LCD
2 products market. A state-of-the-art fabrication plant (called “fabs” in the industry) can cost
3 upwards of \$2 billion, and changing technology requires constant investments in research and
4 development. The most expensive material used to make an LCD panel is the glass. In industry
5 language, glass sizes advance in what are called “generations.” These generation sizes have
6 developed at a rapid pace, continuing to expand in size.

7 113. Since 2000, glass substrate size for LCD panels has approximately doubled every
8 1.5 years. Large-generation glass offers great economies of scale: larger sheets allow display
9 manufacturers to produce more, and larger, panels from a single substrate more efficiently.

10 114. Today’s eighth generation glass substrates have about four times the surface area of
11 fourth generation substrates, which means they yield more (and larger) LCD panels. For instance,
12 one eighth generation substrate can produce the panels needed for fifteen 32” LCD televisions.
13 Larger sheets of glass reduce manufacturing costs. For example, panel costs were approximately
14 \$20/inch for fourth generation fabs, falling to \$10/inch for fifth generation fabs, and then falling
15 another 80% to the eighth generation.

16 115. There have been at least eight generations of LCD fabs, each requiring significant
17 new investment. Because building a new fabrication line or retrofitting the old line, is very
18 expensive, and because the glass is nearly all sourced from the same supplier, Corning
19 Incorporated, LCD panel manufacturers use standard sizes for their products. Thus, for the major
20 input cost, each has the same supplier. A fab line that works with one size glass cannot switch
21 over to another size without substantial retrofitting.

22 116. Additionally, because the fabrication plants are most efficient when they cut
23 standard sizes for panels, different manufacturers with different generation fabs seek to make only
24 the most efficient size panels for that fab. For example, a fab that makes 730 mm x 920mm glass
25 sheets can cut that sheet to make exactly six 17” LCD panels. A fab that uses 680mm x 880mm
26 glass can cut exactly six 15” panels from that glass. But a 730 mm x 920mm glass sheet can only
27 yield two 17” panels, with the rest of the glass as waste. Thus, when defendants need other panel
28 sizes not efficiently made by their fabs, they cross-purchase from each other. For example,

