# EU Fines Memory Chip Cartel $403 Million

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BRUSSELS (AP) — The European Union fined 10 producers of memory chips, including Samsung, a combined euro331 million ($403 million) on Wednesday for colluding in a price-fixing cartel.

The EU Commission said that the companies, mostly non-European, rigged the market between 1998 and 2002 by sharing secret information which allowed them to set prices and quotations for Dynamic Random Access Memory chips in Europe.

Samsung of South Korea received the biggest fine of euro145 million ($177 million). Germany's Infineon was fined euro56 million and Hynix euro51 million. Micron escaped a fine because it brought the case to the European Commission.

The case was the first time companies accused of price-fixing cooperated with the EU Commission to reach an agreement. The companies received a 10 percent reduction in fines because it reduced the costs and time of the investigation.

"This first settlement decision is another milestone in the Commission's anti-cartel enforcement," said EU Competition Commissioner Joaquin Almunia. "The Commission to bring this long-running investigation to a close and to free up resources to investigate other suspected cartels."

Almunia said there were several more such settlements in the pipeline but refused to elaborate. He insisted that the use of settlements did not soften the Commission's stance on the illegal practice.

"We are not compromising on cartels," he told reporters. "We will continue to be clearly against cartels."

Over the past decade, the EU Commission has struck across the globe to impose massive fines on multinationals which fix prices. In 2008 France's Compagnie de Saint-Gobain SA had to pay euro896 million in a car glass cartel case where fines totaled euro1.38 billion. The sectors are as diverse as the fines, ranging from elevators to vitamins to paraffin and beer.

In the microchip case, Almunia said the companies set up a network of contacts to set the price for DRAMs they sold to big personal computer or server producers in Europe.

Seven years after the cartel, the companies involved started discussing the case with the Commission, seeking a settlement. The Commission agreed with the settlement after the companies "clearly and unequivocally acknowledged their respective liability," the Commission said in a statement.

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