

Micron, Oracle Settle Lawsuit Over Chip Prices

The Associated Press

BOISE, Idaho (AP) — Micron Technology Inc. has settled a lawsuit in which Oracle Corp. accused the Idaho memory chipmaker and other companies of artificially inflating prices for microchips.

The 2010 lawsuit claimed that Micron and the other companies conspired to raise prices from 1998 through 2002, in violation of federal and state antitrust laws.

Micron makes semiconductor chips for computers, mobile devices, cameras and other devices. It makes products under the Lexar and Crucial brands.

Micron announced the settlement late Thursday without providing details such as financial terms.

Oracle had accused Micron and four other companies of artificially inflating prices above what Oracle's Sun Microsystems business should have paid for them. The lawsuit that was settled did not name the other companies as defendants.

The Justice Department had investigated whether the companies conspired to manipulate the number of DRAM chips released to market to inflate prices. Micron was granted immunity because it cooperated. The investigation resulted in fines and guilty pleas from four companies — Samsung Electronics Co., Elpida Memory Inc., Infineon Technologies AG and Hynix Semiconductor Inc.

Micron said the settlement will result in a net loss of \$58 million above what it previously reported for the second fiscal quarter, which ended March 1. That brings the total net loss to \$282 million, or 29 cents per share, on revenue of \$2 billion.

Micron, which is based in Boise, Idaho, said it will detail the full effects of the settlement in upcoming regulatory filings. The lawsuit has been dismissed with prejudice as part of the settlement, which means it can't be filed again.

Micron's stock fell 18 cents, or 2.1 percent to \$8.24 in midday trading on Friday following the announcement. Shares of business software maker Oracle, which is based in Redwood City, Calif., fell 11 cents to \$29.19.

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