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COMPUTERS

## Suit targets chip makers

**Florida Attorney General Charlie Crist and 33 other state attorneys general are suing makers of computer memory chips.**

BY JOSEPH TARTAKOFF

[jtartakoff@MiamiHerald.com](mailto:jtartakoff@MiamiHerald.com)

A lawsuit to be filed today by Florida Attorney General Charlie Crist and 33 other state attorneys general accuses the makers of a type of computer memory chip of fixing prices.

A spokeswoman for the attorney general's office said the goal is to recover funds for consumers -- including the government -- who paid higher prices for computers between 1998 and 2002 because of the alleged manipulation. During those years, according to the complaint, manufacturers divided the market for the memory chips -- called DRAM -- among themselves and limited its supply. DRAM is used in all computers and servers, allowing them to quickly access temporary data.

Florida is one of the lead states in the case, which seeks damages of three times the money the companies allegedly cost consumers. Crist is one of the Republican candidates running for governor.

But Bob Merritt, the vice president of semiconductor research firm Semico, said it is not clear how much impact the manufacturers could have had on the price of DRAM.

"I can't imagine there could be a big impact on consumers," he said. "If memory manufacturers were trying to raise the price, there are such strong motivations for buyers to shift volume to lowest price supplier."

Merritt said the DRAM market is very volatile. Before 1998, the market for DRAM crashed. In 1995, it totaled \$40.8 billion. But because of an excess supply of chips on the market, it tumbled to \$19.8 billion in 1997. Daniel Francisco, a spokesman for Boise, Id.-based Micron Technologies, one of the firms that will be sued, said the company had been in discussions with the attorneys general for "many months."

"As we understand it, the state attorney generals wanted to get these cases on file while we discuss the potential for a resolution," he said.

The Department of Justice has previously investigated the allegations of price-fixing. Four firms pleaded guilty to criminal price-fixing and paid more than \$730 million in fines between 2004 and 2006.