

AMD Japan Seeks \$55M From Intel Japan

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Advanced Micro Device's Japan Unit Seeks \$55 Million in Damages From Intel Japan

TOKYO (AP) — Advanced Micro Devices Inc.'s Japan unit said Thursday that it has filed two lawsuits against Intel Corp.'s Japanese unit for \$55 million in damages.

AMD Japan claims Intel violated Japan's antitrust laws, and says Intel's trading practices have caused damage to AMD.

In March, Japan's Fair Trade Commission ruled that Intel's Japan unit was violating antitrust laws in the methods it used to sell its computer chips. The government anti-monopoly body ordered the company to stop those practices.

AMD in Japan said the lawsuit is part of AMD's broader antitrust lawsuit against Intel. AMD earlier this week filed a broad antitrust suit against Intel in the United States, accusing its rival of using illegal inducements and coercion to dissuade companies from buying AMD's computer chips.

That lawsuit alleges that Intel has engaged in a "relentless" global campaign to maintain a monopoly over microprocessors, the chips used in most computers.

An Intel K.K. spokesman in Tokyo declined to comment on the lawsuit in Japan as it hasn't acknowledged details of the complaints.

Intel, the world's largest chipmaker, has denied wrongdoing in response to the U.S. lawsuit.

"We unequivocally disagree with AMD's claims and firmly believe this latest suit will be resolved favorably, like the others," Intel President and Chief Executive Paul Otellini said in a statement.

The damages sought in Tokyo are only those at AMD Japan, the company's director Shunsuke Yoshizawa said at a briefing.

AMD Japan said it had suffered serious damages because of Intel's alleged activities, losing all of its sales to Toshiba Corp., Sony Corp. and Hitachi Ltd.

"Our business to them is still zero as it stands now," Yoshizawa said.

AMD's sales to other two makers, NEC Corp. and Fujitsu Ltd., also plunged, AMD said. Damage to its sales were huge, with its processor share in Japan sinking to about 10 percent in 2004 from about 22 percent in 2002, it said.

In a CNBC interview Tuesday, AMD Chief Executive Hector J. Ruiz said that the ruling by Japan's Fair Trade Commission encouraged his company to file its antitrust suit against Intel.

Shares of Intel rose 10 cents to \$26.35 in morning trading on the Nasdaq Stock Market.