

The European Commission reveals the truth about Intel.



On July 26, 2007, following an exhaustive five-year investigation, the European Commission filed a Statement of Objections formally charging Intel with breaking the law by abusing its monopoly power over the global market for microprocessors.*

The EC explained that “the actions of Intel are bad news for competition and consumers,”** charging that Intel has:

- Maintained its monopoly by paying substantial rebates to PC manufacturers on the condition that they do little or no business with AMD,
- Paid manufacturers to delay or cancel the launch of AMD-based products, and,
- Provided below-cost microprocessors for servers to prevent rival solutions from being chosen by strategic customers.

In short — **Intel is paying and pressuring computer manufacturers to boycott AMD.**

This is not an isolated incident. The EC’s charges are similar to conclusions of the Japan Fair Trade Commission in 2005 and reflect conduct that Korea’s antitrust body is also investigating. In the United States and Japan, private litigation is focusing on the same pattern of abuse.

Of course, the framers of antitrust laws don’t care whether this or that company succeeds in the marketplace. That’s the way it should be. The essential purpose of antitrust laws is to tear down artificial blockades to competition, and to promote efficient economic productivity and the welfare of consumers.

So last week’s action by the European Commission was not about one company “winning” or “losing.” It’s simply this — a big step forward, by an expert antitrust enforcement authority, to a world in which customers come first, innovation comes often, and consumers come to know that they are free to choose.

We welcome the opportunity to compete for the business of computer OEMs and consumers around the world in such a fair and open marketplace.

Sincerely,

Hector Ruiz
Chairman and CEO

www.amd.com/breakfree

