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Thank you for having me here today.

As many of you understand, today's CEO is forced to wear many hats. But there is one hat that I never imagined would play so prominently in my role when I took over at AMD some five years ago: that of fortune teller.

And yet, more and more, I find myself being asked to predict the future. Not just for my own company, but for the technology industry as a whole.

Whether it is financial analysts in the U.S., government officials in the EU or customers in Asia, people want to know where technology is headed and how it will shape our future.

I believe that there are few limits to what we can accomplish and my optimism is tempered only by the fact that there must be fair and open competition in the marketplace if we are to foster the real growth, innovation and choice people around the world expect from my industry.

That is why I am so pleased to have the opportunity to speak before you today.

Because I do not need my fortune teller hat to tell you one truth about which I am absolutely certain: There is no proper or defensible place for illegal monopolies in the 21st century global marketplace.

I think that is a vision we share, as business leaders, regulators, economists, lawyers and others dedicated to ensuring fair and open competition in the market.

And I believe it is our responsibility – not just to the global economy, but to society as a whole – to make that happen.

Today, I hope to demonstrate why I am so certain of that by sharing with you a bit of my own experience as a businessman.

Of course, I understood that in accepting your invitation some might say, 'oh, here comes another whining competitor'.

That's a good charge to make if you want to keep the truth from being heard.

So let me be clear. My purpose is not to argue for competitive advantage – we know how to compete.

My purpose is to lay out the facts so that law and economics can do their job to protect consumers.

So, I want to give you an idea of what it's like to do business day in and day out when you are competing against an abusive monopolist. How it artificially limits your ability to form new partnerships and grow your business the way any other business could and should who operates on a level playing field. How that cripples your ability to invest in innovation.

How it makes no difference whether you are just as efficient – or even more efficient – than they are.

How all of that yields the one outcome antitrust law is designed to prevent: Consumers suffering at the hands of a monopoly by being forced to pay higher prices for what are all-too-often inferior products.

If you have any doubts as to the truth of the grim picture I have painted, consider for a moment your own desktop computer. For the most part, I imagine it bears a striking resemblance to the computer you had 10 or 15 years ago.

It's a little faster, the screen is flat and it's connected, maybe even wirelessly, to faster networks.

But from your vantage point, has a lot changed? Probably not.

And that is perhaps the greatest danger of monopoly power: Customers and consumers are forced to accept the status quo and there is very little incentive for innovation and change. Even when innovative choices are actually being offered to the world.

In my view, to allow this to continue into the 21st century – in the technology industry or any other industry – would be to do a disservice not only to ourselves but also to future generations.

PART II: A “Flat World”

As it has so eloquently been stated, we live in a flat world.

Technology has greatly flattened the geographic, political, cultural and economic borders that traditionally stood in the way of competition. This has allowed historic participation in what is now a truly global economy that is driving record gains in productivity and wealth.

In this economy, past success is no guarantee of future competitiveness. Other players and other nations are catching up – and they are doing so at breakneck speeds.

From 2002 to 2005, the US accounted for 35 to 40 percent of the world's economic growth, according to Goldman Sachs. But in the second half of last year, the combined contributions of the rapidly growing emerging markets in Brazil, Russia, India and China – the BRICs, as they are called – were slightly greater than the US. It's expected their combined growth will continue to eclipse that of the U.S. in the years to come.

Increasingly global competition is a positive force. It pushes us to think outside the box, to search for something better, and to strive to bring innovation to the consumer faster. Because if my company doesn't, another surely will.

And in this global, flat economy, innovation is the key to competitiveness – and you can't have competitiveness without competition.

The changing landscape of the global economy will have important implications for the way we do business; and for the way we regulate and adjudicate issues of international commerce in the future.

PART III: Still Work To Be Done

History has taught us, all too well, the dangers of monopoly.

While Standard Oil proclaimed the benefits of a single, dominant market player in a vital market segment, it forced out competitors so that consumers were left with no choice but to pay higher prices.

Prices were similarly high, and choice and innovation were virtually non-existent, in the telephone industry, until AT&T's monopoly was finally broken.

But once these monopolies ended, their markets witnessed a renaissance of innovation, as new competitors arrived offering consumers more products and services for less and less money.

As an example, under the prevailing monopoly rules of the telephone industry, it would have been impossible for any company other than AT&T to manufacture a computer and connect it to the telephone network for consumers to reach the Internet.

Google, Microsoft, and computer manufacturers like HP and Dell all owe their existence to the simple fact that competition replaced forced exclusivity and allowed a variety of players to compete and succeed.

Ironically, some of these same companies, like HP and Dell, are victims of Intel – another monopoly that is systematically raising prices and slowing innovation and has done so unchecked for years. It's an old story by now – but still a dangerous one.

My company, AMD, is engaged in a fierce battle with Intel, a company we believe illegally abuses its monopoly power to maintain their dominance in our industry.

Competition is critical in the semiconductor sector to power innovations that fuel growth throughout the entire economy.

- Multiple economic studies have shown that innovation in the IT sector was the driving force behind the economic boom of the 1990s in the U.S.
- And in the EU, IT drives nearly 50% of economic growth, according to the European Commission's most recent report on the digital economy.

But while AMD has repeatedly offered the x86 market more innovative products at better prices, Intel has maintained more than 80 percent of the x86 market share by revenue for more than a decade.

I wish I could attribute our competitor's remarkable record of consistency in a notoriously cyclical market to hard-nosed, fair and open competition.

Unfortunately, as our industry knows all too well, Intel uses illegal tactics explicitly aimed at preventing customers from doing business with AMD. There are a host of examples:

- In Japan, the Japan FTC findings revealed Intel used coercive, illegal tactics to reverse AMD's growing success and increasing market share— by imposing artificial limitations on five Japanese PC manufacturers – NEC, Toshiba, Hitachi, Sony, and Fujitsu. Intel essentially paid these Japanese computer makers not to do business with AMD.
- Competition authorities in both the EU and South Korea have ongoing investigations into Intel's anticompetitive business practices.
- In AMD's U.S. complaint against Intel, we cite 48 pages of examples, including how Intel payments, threats and coercion led dozens of our most important customers and partners to back out of the 2003 launches of our industry-leading AMD Athlon and Opteron processors.

And how fear of Intel retaliation led HP to refuse AMD's offer of one million free processors.

- And in a shareholder lawsuit brought against Dell, a 251-page complaint alleges Dell received as much as \$1 billion per year in Intel rebates, with only one very big string attached – Dell could not do business with AMD.

This is not the kind of stuff they teach in business school – and I don't need to explain why.

The IT industry is being held hostage by Intel – a fact that has detrimental effects across the board, and it has gone on for too long.

- Consumers are punished by less choice and innovation, and higher prices.
- Computer manufacturers are dependent upon Intel's "rebates" for a large portion of their razor-thin operating margins and must sacrifice their brand in favor of promoting Intel.

- Retailers also fall victim to this trap. Take the case of Germany's largest PC retailer, MediaMarkt.

Last year, the *Financial Times Deutschland* revealed that Intel had entered into an exclusive contract with MediaMarkt, paying them to keep AMD computers off store shelves and denying consumers' choice.

PART IV: Envisioning What Could Be

Let me now share my vision for the future.

A world moving in a different and better direction due to the benefit of fair and open competition where success is earned on the merits and nothing else. A future world that we see small glimpses of in our industry today.

In an IT industry without an abusive monopoly, computer manufacturers are empowered to flourish because innovation and differentiation are rewarded – rather than be obligated to a single supplier.

The benefits are passed on to consumers through lower prices and greater choice in the marketplace.

Most importantly, consumers are empowered to choose the best technology to meet their needs.

This future is not hard to imagine if you look back to the instances where competition forced the monopoly to react.

- It was AMD that changed the future of the computer industry, by allowing for simultaneous 32- and 64-bit x86 computing with AMD64 architecture...
- And after a struggle to force a new architecture down the throats of consumers, Intel finally gave up and followed.
- And it was competition from AMD and the introduction of its K6® microprocessor, which allowed for the first sub-\$1,000 PC.

But the importance of competition in the microprocessor sector goes beyond products.

Competition from AMD has also played an important role in taking the industry in new directions – introducing new ideas and new possibilities.

AMD led the charge to turn the industry's attention to energy efficiency and power management, championing performance-per-watt as a benchmark and serving as a founding member of The Green Grid, the first industry consortium promoting energy-efficient computing for data centers.

And we helped focus the industry on delivering innovation to high-growth markets with our 50x15 initiative – a commitment to help empower 50% of the world's population with basic Internet access by the year 2015 - as well as through our work with Nicholas Negroponte and his non-profit One Laptop Per Child, or OLPC, initiative.

Nicholas' work on OLPC is truly revolutionary.

Nicholas and his team have created a computer, the XO laptop, which takes into consideration the unique challenges of empowering children in the developing world with access to the Internet.

It has a display that can be viewed in direct sunlight and a hand crank to generate power if electricity is otherwise not available.

Out of the box, the XO will connect to all the other XO devices in its vicinity, as well as the Internet, all for approximately \$150, with prices expected to drop to \$100 within a few years.

More than 80 percent of the world's population has yet to gain access to the Internet, and OLPC will have tremendous impact in lowering that number.

But, as the world learned through a "60 Minutes" report last month, Intel, led by Chairman Craig Barrett, sensed a threat to its monopolistic business model and is allegedly waging a war against the non-profit OLPC through predatory pricing and dumping practices, while proliferating misinformation about the XO laptop in developing countries.

In my view, the tactics Intel is using against OLPC are not only anti-competitive – they're unethical.

And they provide a startling view into a monopolist wholly focused on protecting its market position – regardless of the expense or harm to consumers.

The OLPC example is but one of many that beg us to imagine how much more an IT industry released from Intel's stranglehold might offer the world?

This is why we all have a very real stake in this fight.

PART V: Conclusion

As I said at the outset, I am a businessman – one who has seen and felt the pain of a monopoly run amok first-hand.

But you are experts. And your expertise is critically important – because you can bring to bear the legal and economic perspective that allows people to understand the bad impact of monopoly abuse through time.

Our collective responsibility as leaders at the beginning of the 21st century is to dispel the notion that true innovation and monopoly control – of any kind – can co-exist within a vibrant global economy.

Antitrust principles apply to what you do and who you harm, and crossing the line into illegality will not be permitted no matter how “cool” the product, how familiar the logo, or how high-tech the industry.

I believe it's imperative to send a strong, deterrent message: There is no future for illegal monopolies and monopolization in the global marketplace.

As I said the day we filed our antitrust suit against Intel, earned success is one thing. Illegal maintenance of a monopoly is quite another.

Some of you know enough to agree with me. Some of you do not know enough yet to decide.

But all of you should agree on this: There are serious issues about the microprocessor market that need to be examined without taint of politics or ideology. Your devotion to the enforcement of antitrust law makes you ideal candidates to assume this responsibility. Not for me. Not for my company. But for the values for which you strive – competition, choice, consumers.

Thank you.