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 12 *Chi Mei Optoelectronics USA, Inc., CMO Japan Co.,*
 13 *Ltd., Nexgen Mediatech, Inc., and Nexgen Mediatech*
 14 *USA, Inc.*

14 UNITED STATES DISTRICT COURT
 15 FOR THE NORTHERN DISTRICT OF CALIFORNIA
 16 SAN FRANCISCO DIVISION

18 IN RE: TFT-LCD (FLAT PANEL) ANTITRUST
 19 LITIGATION

CASE NO. 3:11-cv-02591-SI
 MDL NO. 3:07-md-1827-SI

21 This Document Relates to Individual
 Case No. 3:11-cv-02591-SI

23 T-MOBILE U.S.A., INC.,

24 Plaintiff,

25 vs.

26 AU OPTRONICS CORPORATION, *et al.*

27 Defendants.

**ANSWER AND ADDITIONAL
 DEFENSES OF CHI MEI
 CORPORATION, CHIMEI INNOLUX
 CORPORATION, CHI MEI
 OPTOELECTRONICS USA, INC., CMO
 JAPAN CO. LTD., NEXGEN
 MEDIATECH, INC., AND NEXGEN
 MEDIATECH USA, INC. TO T-MOBILE
 U.S.A., INC.'S FIRST AMENDED
 COMPLAINT**

The Honorable Susan Illston

1 Chi Mei Corporation (“CMC”), Chimei Innolux Corporation (“CMI”), Chi Mei
2 Optoelectronics USA, Inc. (“CMO-USA”), CMO Japan Co., Ltd. (“CMO-Japan”), Nexgen
3 Mediatech, Inc. (“NMT”), and Nexgen Mediatech USA (“NMT-USA”), (collectively, the “Chimei
4 Entities,” or each separately, a “Chimei Entity”), by their undersigned attorneys hereby respond to
5 the allegations contained in the numbered paragraphs of the First Amended Complaint
6 (“Complaint”) of T-Mobile U.S.A., Inc. (“Plaintiff” or “T-Mobile”). The Chimei Entities deny all
7 allegations contained in the Complaint, including headings and captions, not specifically admitted.

8 **I. INTRODUCTION**

9 1. Each Chimei Entity denies denies the allegations in paragraph 1 for lack of
10 knowledge or information sufficient to form a belief as to their truth.

11 2. Each Chimei Entity refers to CMO’s plea agreement and the statements contained
12 therein, and otherwise denies the allegations in paragraph 2 to the extent they are directed to that
13 Chimei Entity. The Chimei Entities further deny the remaining allegations in paragraph 2 for lack
14 of knowledge or information sufficient to form a belief as to their truth.

15 3. Each Chimei Entity refers to CMO’s plea agreement and the statements contained
16 therein, and otherwise denies the allegations in paragraph 3 to the extent they are directed to that
17 Chimei Entity. The Chimei Entities further deny the remaining allegations in paragraph 3 for lack
18 of knowledge or information sufficient to form a belief as to their truth.

19 4. Each Chimei Entity denies the allegations in paragraph 4 to the extent they are
20 directed to that Chimei Entity and otherwise denies the allegations in paragraph 4 for lack of
21 knowledge or information sufficient to form a belief as to their truth.

22 5. Each Chimei Entity refers to CMO’s plea agreement and the statements contained
23 therein, and otherwise denies the allegations in paragraph 5 to the extent they are directed to that
24 Chimei Entity. The Chimei entities further deny the remaining allegations in paragraph 5 for lack
25 of knowledge or information sufficient to form a belief as to their truth.

26 6. Each Chimei Entity refers to CMO’s plea agreement and the statements contained
27 therein, and otherwise denies the allegations in paragraph 6 to the extent they are directed to that
28 Chimei Entity, except that the Chimei Entities admit that CMO-USA and NMT-USA maintained

1 offices in California. The Chimei entities further deny the remaining allegations in paragraph 6
2 for lack of knowledge or information sufficient to form a belief as to their truth.

3 7. Each Chimei Entity denies the allegations in paragraph 7 to the extent they are
4 directed to that Chimei Entity. The Chimei entities further deny the remaining allegations in
5 paragraph 7 for lack of knowledge or information sufficient to form a belief as to their truth.

6 8. Each Chimei Entity denies the allegations in paragraph 8.

7 9. Paragraph 9 consists of Plaintiff's characterization of its own claims, to which no
8 response is required. To the extent a response is required, each Chimei Entity denies the
9 allegations in paragraph 9 and otherwise denies the allegations in paragraph 9 for lack of
10 knowledge or information sufficient to form a belief as to their truth.

11 **II. JURISDICTION AND VENUE**

12 10. Paragraph 10 consists of Plaintiff's characterization of its own claims, to which no
13 response is required. To the extent a response is required, each Chimei Entity denies the
14 allegations in paragraph 10.

15 11. Paragraph 11 consists of Plaintiff's characterization of its own claims, to which no
16 response is required. To the extent a response is required, each Chimei Entity denies the
17 allegations in paragraph 11.

18 12. Paragraph 12 consists of legal conclusions, to which no response is required. To
19 the extent a response is required, each Chimei Entity denies the allegations in paragraph 12.

20 13. To the extent paragraph 13 consists of legal conclusions, no response is required.
21 Each Chimei Entity denies all such allegations. Each Chimei Entity denies the factual allegations
22 in paragraph 13 to the extent directed to that Chimei Entity, except CMC, CMO, CMO-Japan and
23 NMT admit that they each operated outside the United States during the purported "Conspiracy
24 Period," and CMO-USA and NMT-USA admit that they have maintained offices within the
25 Northern District of California. Each Chimei Entity denies the remaining allegations in paragraph
26 13 for lack of knowledge or information sufficient to form a belief as to their truth.

27 14. Paragraph 14 consists of a legal conclusion, to which no response is required. To
28 the extent a response is required, each Chimei Entity denies the allegations in paragraph 14.

1 15. Paragraph 15 consists of legal conclusions, to which no response is required. To
2 the extent a response is required, each Chimei Entity denies the allegations in paragraph 15 except
3 admits that *In re TFT-LCD (Flat Panel) Antitrust Litigation*, Case No. M:07-cv-1827 SI is
4 pending in this District with Judge Susan Illston presiding.

5 16. Paragraph 16 consists of a legal conclusion, to which no response is required. To
6 the extent a response is required, each Chimei Entity denies the allegations in paragraph 16.

7 **III. DEFINITIONS**

8 17. The final sentence of paragraph 17 consists of Plaintiff's explanation of
9 terminology, to which no response is required. To the extent a response is required, each Chimei
10 Entity denies the allegations in that sentence except admits that "LCD" is an acronym for "liquid
11 crystal display." Each Chimei Entity denies the remaining allegations in paragraph 17 as overly
12 simplistic and generic, except admits that they generally describe some basic aspects of the nature,
13 technology and means of manufacturing LCD panels, modules and products containing LCD
14 panels.

15 18. Each Chimei Entity denies the allegations in the first sentence of paragraph 18 for
16 lack of knowledge or information sufficient to form a belief as to their truth. Each Chimei Entity
17 denies the allegations in the second sentence of paragraph 18 to the extent directed to that Chimei
18 Entity and otherwise denies the allegations for lack of knowledge or information sufficient to form
19 a belief as to their truth.

20 19. Paragraph 19 consists only of Plaintiff's characterizations and explanations of
21 terminology, to which no response is required. To the extent a response is required, each Chimei
22 Entity denies the allegations in paragraph 19.

23 20. Paragraph 20 consists only of Plaintiff's characterizations and explanations of
24 terminology, to which no response is required. To the extent a response is required, each Chimei
25 Entity denies the allegations in paragraph 20.

26 21. Paragraph 21 consists only of Plaintiff's characterizations and explanations of
27 terminology, to which no response is required. To the extent a response is required, each Chimei
28 Entity denies the allegations in paragraph 21.

1 **IV. THE PARTIES**

2 **A. Plaintiff T-Mobile**

3 22. Each Chimei Entity denies the first three sentences of paragraph 22 for lack of
4 knowledge or information sufficient to form a belief as to their truth. Each Chimei Entity denies
5 final sentence of paragraph 22.

6 23. Each Chimei Entity denies the referenced companies were injured in their business
7 or property and denies the remaining allegations in paragraph 23 for lack of knowledge or
8 information sufficient to form a belief as to their truth.

9 24. Each Chimei Entity denies that T-Mobile has “suffered injury” and denies the
10 remaining allegations in paragraph 24 for lack of knowledge or information sufficient to form a
11 belief as to their truth.

12 25. Each Chimei Entity denies the allegations in paragraph 25 for lack of knowledge or
13 information sufficient to form a belief as to their truth.

14 26. Each Chimei Entity denies the allegations in paragraph 26 for lack of knowledge or
15 information sufficient to form a belief as to their truth.

16 27. Each Chimei Entity denies the allegations in paragraph 27 to the extent they are
17 directed to that Chimei Entity and otherwise denies the allegations in paragraph 27 for lack of
18 knowledge or information sufficient to form a belief as to their truth.

19 28. Each Chimei Entity denies the allegations in paragraph 28 for lack of knowledge or
20 information sufficient to form a belief as to their truth.

21 **B. Defendants**

22 **1. AU Optronics**

23 29. Each Chimei Entity denies the allegations in paragraph 29 for lack of knowledge or
24 information sufficient to form a belief as to their truth.

25 30. Each Chimei Entity denies the allegations in paragraph 30 for lack of knowledge or
26 information sufficient to form a belief as to their truth.

27 31. The first sentence of paragraph 31 consists only of Plaintiff’s characterizations and
28 explanations of terminology, to which no response is required. To the extent a response is

1 required, each Chimei Entity denies the allegations in the first sentence of paragraph 31. Each
2 Chimei Entity denies the remaining allegations in paragraph 31 for lack of knowledge or
3 information sufficient to form a belief as to their truth.

4 **2. Chi Mei**

5 32. Each Chimei Entity denies the allegations in paragraph 32, except that CMC admits
6 it is a Taiwanese corporation with its headquarters located at the address alleged.

7 33. Each Chimei Entity denies the allegations in paragraph 33, except admits that the
8 headquarters of CMI is located at the address alleged; that the headquarters of CMO and Innolux
9 Display Corporation were located at the addresses alleged; that CMI is the surviving corporation
10 of the three-way merger between CMO, Innolux Display Corporation and TPO Displays
11 Corporation; that CMO manufactured and sold TFT-LCD panels and a limited volume of products
12 containing TFT-LCD panels in certain years during the alleged “Conspiracy Period”; that Innolux
13 Display Corporation manufactured and sold products containing TFT-LCD panels and sold a very
14 limited volume of TFT-LCD panels in certain years during the alleged “Conspiracy Period”; and
15 that TPO Displays Corporation manufactured and sold a very limited number of TFT-LCD panels
16 in certain years during the alleged “Conspiracy Period.”

17 34. Each Chimei Entity denies the allegations in paragraph 34, except CMO-USA
18 admits that its corporate headquarters are located at the address alleged; that CMO-USA was
19 formerly known as International Display Technology USA, Inc.; and that CMO-USA resold a
20 limited volume of TFT-LCD panels in certain years during the “Conspiracy Period.”

21 35. Each Chimei Entity denies the allegations in paragraph 35, except CMO-Japan
22 admits that its headquarters are located at the address alleged, that CMO-Japan was formerly
23 known as International Display Technology, Ltd., and that CMO-Japan manufactured and sold
24 TFT-LCD panels in certain years during the alleged “Conspiracy Period.”

25 36. Each Chimei Entity denies the allegations in paragraph 36, except NMT admits that
26 its principal place of business is located at the address alleged; that CMC is a shareholder of NMT;
27 and that CMO sold TFT-LCD panels and a limited volume of products containing TFT-LCD
28 panets to NMT in certain years during the alleged “Conspiracy Period.”

1 37. Each Chimei Entity denies the allegations in paragraph 37, except NMT-USA
2 admits that its principal place of business is located at the address alleged; and that NMT-USA,
3 which was formed only in 2006, resold a very limited volume of products containing TFT-LCD
4 panels during the final year of the alleged “Conspiracy Period.”

5 38. The first sentence of paragraph 38 consists of Plaintiff’s characterizations and
6 explanations of terminology, to which no response is required. To the extent a response is
7 required, each Chimei Entity denies that any legal basis exists for Plaintiff’s grouping together of
8 CMI, CMC, CMO-Japan, CMO-USA, NMT, and NMT-USA under the collective designation
9 “Chi Mei.” Each Chimei Entity denies the allegations in paragraph 38 in all other respects.

10 **3. Chunghwa**

11 39. Each Chimei Entity denies the allegations in paragraph 39 for lack of knowledge or
12 information sufficient to form a belief as to their truth.

13 40. Each Chimei Entity denies the allegations in paragraph 40 for lack of knowledge or
14 information sufficient to form a belief as to their truth.

15 41. Each Chimei Entity denies the allegations in paragraph 41 for lack of knowledge or
16 information sufficient to form a belief as to their truth.

17 42. The first sentence of paragraph 42 consists only of Plaintiff’s characterizations and
18 explanations of terminology, to which no response is required. To the extent a response is
19 required, each Chimei Entity denies the allegations in the first sentence of paragraph 42. Each
20 Chimei Entity denies the remaining allegations in paragraph 42 for lack of knowledge or
21 information sufficient to form a belief as to their truth.

22 43. Each Chimei Entity denies the allegations in paragraph 43 for lack of knowledge or
23 information sufficient to form a belief as to their truth.

24 **4. Epson**

25 44. Each Chimei Entity denies the allegations in paragraph 44 for lack of knowledge or
26 information sufficient to form a belief as to their truth.

27 45. Each Chimei Entity denies the allegations in paragraph 45 for lack of knowledge or
28 information sufficient to form a belief as to their truth.

1 46. Each Chimei Entity denies the allegations in paragraph 46 for lack of knowledge or
2 information sufficient to form a belief as to their truth.

3 47. The first sentence of paragraph 47 consists only of Plaintiff's characterizations and
4 explanations of terminology, to which no response is required. To the extent a response is
5 required, each Chimei Entity denies the allegations in the first sentence of paragraph 47. Each
6 Chimei Entity denies the remaining allegations in paragraph 47 for lack of knowledge or
7 information sufficient to form a belief as to their truth.

8 **5. Hannstar**

9 48. Each Chimei Entity denies the allegations in paragraph 48 for lack of knowledge or
10 information sufficient to form a belief as to their truth.

11 **6. Hitachi**

12 49. Each Chimei Entity denies the allegations in paragraph 49 for lack of knowledge or
13 information sufficient to form a belief as to their truth.

14 50. Each Chimei Entity denies the allegations in paragraph 50 for lack of knowledge or
15 information sufficient to form a belief as to their truth.

16 51. Each Chimei Entity denies the allegations in paragraph 51 for lack of knowledge or
17 information sufficient to form a belief as to their truth.

18 52. Paragraph 52 consists of Plaintiff's characterizations and explanations of
19 terminology, to which no response is required. To the extent a response is required, each Chimei
20 Entity denies the allegations in paragraph 52.

21 **7. LG Display**

22 53. Each Chimei Entity denies the allegations in paragraph 53 for lack of knowledge or
23 information sufficient to form a belief as to their truth.

24 54. Each Chimei Entity denies the allegations in paragraph 54 for lack of knowledge or
25 information sufficient to form a belief as to their truth

26 55. The first sentence of paragraph 55 consists only of Plaintiff's characterizations and
27 explanations of terminology, to which no response is required. To the extent a response is
28 required, each Chimei Entity denies the allegations in the first sentence of paragraph 55. Each

1 Chimei Entity denies the remaining allegations in paragraph 55 for lack of knowledge or
2 information sufficient to form a belief as to their truth.

3 **8. Phillips**

4 56. Each Chimei Entity denies the allegations in paragraph 56 for lack of knowledge or
5 information sufficient to form a belief as to their truth.

6 57. Each Chimei Entity denies the allegations in paragraph 57 for lack of knowledge or
7 information sufficient to form a belief as to their truth.

8 58. Each Chimei Entity denies the allegations in paragraph 58 for lack of knowledge or
9 information sufficient to form a belief as to their truth.

10 **9. Samsung**

11 59. Each Chimei Entity denies the allegations in paragraph 59 for lack of knowledge or
12 information sufficient to form a belief as to their truth.

13 60. Each Chimei Entity denies the allegations in paragraph 60 for lack of knowledge or
14 information sufficient to form a belief as to their truth.

15 61. Each Chimei Entity denies the allegations in paragraph 61 for lack of knowledge or
16 information sufficient to form a belief as to their truth.

17 62. Each Chimei Entity denies the allegations in paragraph 62 for lack of knowledge or
18 information sufficient to form a belief as to their truth.

19 63. Each Chimei Entity denies the allegations in paragraph 63 for lack of knowledge or
20 information sufficient to form a belief as to their truth.

21 64. The first sentence of paragraph 64 consists only of Plaintiff's characterizations and
22 explanations of terminology, to which no response is required. To the extent a response is
23 required, each Chimei Entity denies the allegations in the first sentence of paragraph 64. Each
24 Chimei Entity denies the remaining allegations in paragraph 64 for lack of knowledge or
25 information sufficient to form a belief as to their truth.

26 65. Each Chimei Entity denies the allegations in paragraph 65 for lack of knowledge or
27 information sufficient to form a belief as to their truth.

28

1 66. Each Chimei Entity denies the allegations in paragraph 66 for lack of knowledge or
2 information sufficient to form a belief as to their truth.

3 67. Each Chimei Entity denies the allegations in paragraph 67 for lack of knowledge or
4 information sufficient to form a belief as to their truth.

5 68. Each Chimei Entity denies the allegations in paragraph 68 for lack of knowledge or
6 information sufficient to form a belief as to their truth.

7 69. The first sentence of paragraph 69 consists only of Plaintiff's characterizations and
8 explanations of terminology, to which no response is required. To the extent a response is
9 required, each Chimei Entity denies the allegations in the first sentence of paragraph 69. Each
10 Chimei Entity denies the remaining allegations in paragraph 69 for lack of knowledge or
11 information sufficient to form a belief as to their truth.

12 **10. Sanyo**

13 70. Each Chimei Entity denies the allegations in paragraph 70 for lack of knowledge or
14 information sufficient to form a belief as to their truth.

15 71. The first sentence of paragraph 71 consists only of Plaintiff's characterizations and
16 explanations of terminology, to which no response is required. To the extent a response is
17 required, each Chimei Entity denies the allegations in the first sentence of paragraph 71. Each
18 Chimei Entity denies the remaining allegations in paragraph 71 for lack of knowledge or
19 information sufficient to form a belief as to their truth.

20 **11. Sharp**

21 72. Each Chimei Entity denies the allegations in paragraph 72 for lack of knowledge or
22 information sufficient to form a belief as to their truth.

23 73. Each Chimei Entity denies the allegations in paragraph 73 for lack of knowledge or
24 information sufficient to form a belief as to their truth.

25 74. The first sentence of paragraph 74 consists only of Plaintiff's characterizations and
26 explanations of terminology, to which no response is required. To the extent a response is
27 required, each Chimei Entity denies the allegations in the first sentence of paragraph 74. Each
28 Chimei Entity denies the remaining allegations in paragraph 74 for lack of knowledge or

1 information sufficient to form a belief as to their truth.

2 **12. Toshiba**

3 75. Each Chimei Entity denies the allegations in paragraph 75 for lack of knowledge or
4 information sufficient to form a belief as to their truth.

5 76. Each Chimei Entity denies the allegations in paragraph 76 for lack of knowledge or
6 information sufficient to form a belief as to their truth.

7 77. Each Chimei Entity denies the allegations in paragraph 77 for lack of knowledge or
8 information sufficient to form a belief as to their truth.

9 78. Each Chimei Entity denies the allegations in paragraph 78 for lack of knowledge or
10 information sufficient to form a belief as to their truth.

11 79. The first sentence of paragraph 79 consists only of Plaintiff's characterizations and
12 explanations of terminology, to which no response is required. To the extent a response is
13 required, each Chimei Entity denies the allegations in the first sentence of paragraph 79. Each
14 Chimei Entity denies the remaining allegations in paragraph 79 for lack of knowledge or
15 information sufficient to form a belief as to their truth.

16 **C. Co-Conspirators**

17 80. Each Chimei Entity denies the allegations in paragraph 80 to the extent they are
18 directed to that Chimei Entity and otherwise denies the allegations in paragraph 80 for lack of
19 knowledge or information sufficient to form a belief as to their truth.

20 81. Each Chimei Entity denies the allegations in paragraph 81 to the extent they are
21 directed to that Chimei Entity and otherwise denies the allegations in paragraph 81 for lack of
22 knowledge or information sufficient to form a belief as to their truth.

23 82. Each Chimei Entity denies the allegations in paragraph 82 to the extent they are
24 directed to that Chimei Entity and otherwise denies the allegations in paragraph 82 for lack of
25 knowledge or information sufficient to form a belief as to their truth.

26 83. Each Chimei Entity denies the allegations in paragraph 83 to the extent they are
27 directed to that Chimei Entity and otherwise denies the allegations in paragraph 83 for lack of
28 knowledge or information sufficient to form a belief as to their truth.

1 84. Each Chimei Entity denies the allegations in paragraph 84 to the extent they are
2 directed to that Chimei Entity and otherwise denies the allegations in paragraph 84 for lack of
3 knowledge or information sufficient to form a belief as to their truth.

4 **V. THE MARKET FOR LCD PANELS AND LCD PRODUCTS**

5 85. Each Chimei Entity denies the allegations in paragraph 85, but admits that different
6 types of LCD panels are incorporated in many products, including computer monitors, televisions,
7 and mobile telephones.

8 86. Each Chimei Entity denies the allegations in paragraph 86.

9 87. Each Chimei Entity denies the allegations in paragraph 87 for lack of knowledge or
10 information sufficient to form a belief as to their truth.

11 88. Each Chimei Entity denies the allegations in paragraph 88.

12 89. Each Chimei Entity denies the allegations in paragraph 89.

13 90. Each Chimei Entity denies the allegations in paragraph 90.

14 91. Each Chimei Entity denies the allegations in paragraph 91.

15 92. Each Chimei Entity denies the allegations in paragraph 92.

16 93. Each Chimei Entity denies the allegations in paragraph 93 except that each Chimei
17 Entity generally admits that efficient fabs are costly to build and that research and development
18 costs can be substantial.

19 94. Each Chimei Entity denies the allegations in paragraph 94.

20 95. Each Chimei Entity denies the allegations in paragraph 95 for lack of knowledge or
21 information sufficient to form a belief as to their truth.

22 96. Each Chimei Entity denies the allegations in paragraph to the extent directed to that
23 Chimei Entity, except CMI admits that CMO entered into certain licensing arrangements for
24 limited periods of time with certain other entities. Each Chimei entity denies the remaining
25 allegations in paragraph 96 for lack of knowledge or information sufficient to form a belief as to
26 their truth.

27 97. Each Chimei Entity denies the allegations in paragraph 97 to the extent directed to
28 that Chimei Entity and otherwise the allegations in paragraph 97 for lack of knowledge or

1 information sufficient to form a belief as to their truth.

2 **VI. DEFENDANTS ENGAGED IN PRICE FIXING OF LCD PANELS**

3 98. Each Chimei Entity denies the allegations in paragraph 98 to the extent they are
4 directed to that Chimei Entity and otherwise denies the allegations in paragraph 98 for lack of
5 knowledge or information sufficient to form a belief as to their truth.

6 99. Each Chimei Entity denies the allegations in paragraph 99 to the extent they are
7 directed to that Chimei Entity and otherwise denies the allegations in paragraph 99 for lack of
8 knowledge or information sufficient to form a belief as to their truth.

9 **A. Defendants Engaged in Bilateral and Multilateral Meetings and**
10 **Communications with Competitors to Inflate Prices of LCD Panels and LCD**
11 **Products**

12 100. Each Chimei Entity refers to CMO's plea agreement and the statements contained
13 therein, and otherwise denies the allegations in paragraph 100 to the extent they are directed to
14 that Chimei Entity. Each Chimei Entity denies all other allegations in paragraph 100 for lack of
15 knowledge or information sufficient to form a belief as to their truth.

16 **1. Defendants engaged in illegal bilateral and multilateral**
17 **communications about the pricing of TFT-LCD Panels and STN-LCD**
18 **Panels**

19 101. Each Chimei Entity denies the allegations in paragraph 101 for lack of knowledge
20 or information sufficient to form a belief as to their truth.

21 102. Each Chimei Entity denies the allegations in paragraph 102 for lack of knowledge
22 or information sufficient to form a belief as to their truth.

23 103. Each Chimei Entity denies the allegations in paragraph 103 to the extent they are
24 directed to that Chimei Entity and otherwise denies the allegations in paragraph 103 for lack of
25 knowledge or information sufficient to form a belief as to their truth.

26 104. Each Chimei Entity denies the allegations in paragraph 104 for lack of knowledge
27 or information sufficient to form a belief as to their truth.

28 105. Each Chimei Entity denies the allegations in paragraph 105 for lack of knowledge
or information sufficient to form a belief as to their truth.

106. Each Chimei Entity denies the allegations in paragraph 106 to the extent they are

1 directed to that Chimei Entity and otherwise denies the allegations in paragraph 106 for lack of
2 knowledge or information sufficient to form a belief as to their truth.

3 107. Each Chimei Entity denies the allegations in paragraph 107 for lack of knowledge
4 or information sufficient to form a belief as to their truth.

5 108. Each Chimei Entity denies the allegations in paragraph 108 for lack of knowledge
6 or information sufficient to form a belief as to their truth.

7 109. Each Chimei Entity denies the allegations in paragraph 109 to the extent they are
8 directed to that Chimei Entity and otherwise denies the allegations in paragraph 109 for lack of
9 knowledge or information sufficient to form a belief as to their truth.

10 110. Each Chimei Entity denies the allegations in paragraph 110 to the extent they are
11 directed to that Chimei Entity and otherwise denies the allegations in paragraph 110 for lack of
12 knowledge or information sufficient to form a belief as to their truth.

13 111. Each Chimei Entity denies the allegations in paragraph 111 for lack of knowledge
14 or information sufficient to form a belief as to their truth.

15 112. Each Chimei Entity denies the allegations in paragraph 112 to the extent they are
16 directed to that Chimei Entity and otherwise denies the allegations in paragraph 112 for lack of
17 knowledge or information sufficient to form a belief as to their truth.

18 113. Each Chimei Entity refers to CMO's plea agreement and the statements contained
19 therein, and otherwise denies the allegations in paragraph 113 to the extent they are directed to
20 that Chimei Entity. Each Chimei Entity denies all other allegations in paragraph 113 for lack of
21 knowledge or information sufficient to form a belief as to their truth.

22 114. Each Chimei Entity denies the allegations in paragraph 114 to the extent they are
23 directed to that Chimei Entity and otherwise denies the allegations in paragraph 114 for lack of
24 knowledge or information sufficient to form a belief as to their truth.

25 115. Each Chimei Entity denies the allegations in paragraph 115 to the extent they are
26 directed to that Chimei Entity and otherwise denies the allegations in paragraph 115 for lack of
27 knowledge or information sufficient to form a belief as to their truth.

28 116. Each Chimei Entity denies the allegations in paragraph 116 to the extent they are

1 directed to Chimei Entity and otherwise denies the allegations in paragraph 116 for lack of
2 knowledge or information sufficient to form a belief as to their truth.that

3 117. Each Chimei Entity refers to CMO's plea agreement and the statements contained
4 therein, and otherwise denies the allegations in paragraph 117 to the extent they are directed to
5 that Chimei Entity. Each Chimei Entity denies all other allegations in paragraph 117 for lack of
6 knowledge or information sufficient to form a belief as to their truth.

7 118. Each Chimei Entity denies the allegations in paragraph 118 to the extent they are
8 directed to that Chimei Entity and otherwise denies the allegations in paragraph 118 for lack of
9 knowledge or information sufficient to form a belief as to their truth.

10 119. Each Chimei Entity denies the allegations in paragraph 119 to the extent they are
11 directed to that Chimei Entity and otherwise denies the allegations in paragraph 119 for lack of
12 knowledge or information sufficient to form a belief as to their truth.

13 120. Each Chimei Entity denies the allegations in paragraph 120 to the extent they are
14 directed to that Chimei Entity and otherwise denies the allegations in paragraph 120 for lack of
15 knowledge or information sufficient to form a belief as to their truth.

16 121. Each Chimei Entity denies the allegations in paragraph 121 to the extent they are
17 directed to that Chimei Entity and otherwise denies the allegations in paragraph 121 for lack of
18 knowledge or information sufficient to form a belief as to their truth.

19 122. Each Chimei Entity denies the allegations in paragraph 122 to the extent they are
20 directed to that Chimei Entity and otherwise denies the allegations in paragraph 122 for lack of
21 knowledge or information sufficient to form a belief as to their truth.

22 123. Each Chimei Entity denies the allegations in paragraph 123 to the extent they are
23 directed to that Chimei Entity and otherwise denies the allegations in paragraph 123 for lack of
24 knowledge or information sufficient to form a belief as to their truth.

25 124. Each Chimei Entity denies the allegations in paragraph 124 for lack of knowledge
26 or information sufficient to form a belief as to their truth.

27 125. Each Chimei Entity denies the allegations in paragraph 125 for lack of knowledge
28 or information sufficient to form a belief as to their truth.

1 126. Each Chimei Entity denies the allegations in paragraph 126 for lack of knowledge
2 or information sufficient to form a belief as to their truth.

3 127. Each Chimei Entity denies the allegations in paragraph 127 to the extent they are
4 directed to that Chimei Entity and otherwise denies the allegations in paragraph 127 for lack of
5 knowledge or information sufficient to form a belief as to their truth.

6 128. Each Chimei Entity refers to CMO's plea agreement and the statements contained
7 therein, and otherwise denies the allegations in paragraph 128 to the extent they are directed to
8 that Chimei Entity. Each Chimei Entity denies all other allegations in paragraph 128 for lack of
9 knowledge or information sufficient to form a belief as to their truth.

10 129. Each Chimei Entity denies the allegations in paragraph 129 to the extent they are
11 directed to that Chimei Entity and otherwise denies the allegations in paragraph 129 for lack of
12 knowledge or information sufficient to form a belief as to their truth.

13 130. Each Chimei Entity refers to CMO's plea agreement and the statements contained
14 therein, and otherwise denies the allegations in paragraph 130.

15 131. Each Chimei Entity denies the allegations in paragraph 131 to the extent they are
16 directed to that Chimei Entity and otherwise denies the allegations in paragraph 131 for lack of
17 knowledge or information sufficient to form a belief as to their truth.

18 132. Each Chimei Entity denies the allegations in paragraph 132 to the extent they are
19 directed to that Chimei Entity and otherwise denies the allegations in paragraph 132 for lack of
20 knowledge or information sufficient to form a belief as to their truth.

21 133. Each Chimei Entity denies the allegations in paragraph 133 to the extent they are
22 directed to that Chimei Entity and otherwise denies the allegations in paragraph 133 for lack of
23 knowledge or information sufficient to form a belief as to their truth.

24 134. Each Chimei Entity denies the allegations in paragraph 134 to the extent they are
25 directed to that Chimei Entity and otherwise denies the allegations in paragraph 134 for lack of
26 knowledge or information sufficient to form a belief as to their truth.

27 135. Each Chimei Entity denies the allegations in paragraph 135 to the extent they are
28 directed to that Chimei Entity and otherwise denies the allegations in paragraph 135 for lack of

1 knowledge or information sufficient to form a belief as to their truth.

2 136. Each Chimei Entity denies the allegations in paragraph 136 to the extent they are
3 directed to that Chimei Entity and otherwise denies the allegations in paragraph 136 for lack of
4 knowledge or information sufficient to form a belief as to their truth.

5 137. Each Chimei Entity denies the allegations in paragraph 137 to the extent they are
6 directed to that Chimei Entity and otherwise denies the allegations in paragraph 137 for lack of
7 knowledge or information sufficient to form a belief as to their truth.

8 138. Each Chimei Entity denies the allegations in paragraph 138 to the extent they are
9 directed to that Chimei Entity and otherwise denies the allegations in paragraph 138 for lack of
10 knowledge or information sufficient to form a belief as to their truth.

11 139. Each Chimei Entity denies the allegations in paragraph 139 to the extent they are
12 directed to that Chimei Entity and otherwise denies the allegations in paragraph 139 for lack of
13 knowledge or information sufficient to form a belief as to their truth.

14 140. Each Chimei Entity denies the allegations in paragraph 140 to the extent they are
15 directed to that Chimei Entity and otherwise denies the allegations in paragraph 140 for lack of
16 knowledge or information sufficient to form a belief as to their truth.

17 141. Each Chimei Entity denies the allegations in paragraph 141 to the extent they are
18 directed to that Chimei Entity and otherwise denies the allegations in paragraph 141 for lack of
19 knowledge or information sufficient to form a belief as to their truth.

20 142. Each Chimei Entity denies the allegations in paragraph 142 to the extent they are
21 directed to that Chimei Entity and otherwise denies the allegations in paragraph 142 for lack of
22 knowledge or information sufficient to form a belief as to their truth.

23 143. Each Chimei Entity denies the allegations in paragraph 143 to the extent they are
24 directed to that Chimei Entity and otherwise denies the allegations in paragraph 143 for lack of
25 knowledge or information sufficient to form a belief as to their truth.

26 144. Each Chimei Entity denies the allegations in paragraph 144 to the extent they are
27 directed to that Chimei Entity and otherwise denies the allegations in paragraph 144 for lack of
28 knowledge or information sufficient to form a belief as to their truth.

1 145. Each Chimei Entity denies the allegations in paragraph 145 to the extent they are
2 directed to that Chimei Entity and otherwise denies the allegations in paragraph 145 for lack of
3 knowledge or information sufficient to form a belief as to their truth.

4 146. Each Chimei Entity denies the allegations in paragraph 146 to the extent they are
5 directed to that Chimei Entity and otherwise denies the allegations in paragraph 146 for lack of
6 knowledge or information sufficient to form a belief as to their truth.

7 147. Each Chimei Entity denies the allegations in paragraph 147 to the extent they are
8 directed to that Chimei Entity and otherwise denies the allegations in paragraph 147 for lack of
9 knowledge or information sufficient to form a belief as to their truth.

10 148. Each Chimei Entity denies the allegations in paragraph 148 to the extent they are
11 directed to that Chimei Entity and otherwise denies the allegations in paragraph 148 for lack of
12 knowledge or information sufficient to form a belief as to their truth.

13 149. Each Chimei Entity denies the allegations in paragraph 149 to the extent they are
14 directed to that Chimei Entity and otherwise denies the allegations in paragraph 149 for lack of
15 knowledge or information sufficient to form a belief as to their truth.

16 150. Each Chimei Entity denies the allegations in paragraph 150 to the extent they are
17 directed to that Chimei Entity and otherwise denies the allegations in paragraph 150 for lack of
18 knowledge or information sufficient to form a belief as to their truth.

19 151. Each Chimei Entity denies the allegations in paragraph 151 to the extent they are
20 directed to that Chimei Entity and otherwise denies the allegations in paragraph 151 for lack of
21 knowledge or information sufficient to form a belief as to their truth.

22 152. Each Chimei Entity denies the allegations in paragraph 152 for lack of knowledge
23 or information sufficient to form a belief as to their truth.

24 153. Each Chimei Entity denies the allegations in paragraph 153 to the extent they are
25 directed to that Chimei Entity and otherwise denies the allegations in paragraph 153 for lack of
26 knowledge or information sufficient to form a belief as to their truth.

27 154. Each Chimei Entity denies the allegations in paragraph 154 to the extent they are
28 directed to that Chimei Entity and otherwise denies the allegations in paragraph 154 for lack of

1 knowledge or information sufficient to form a belief as to their truth.

2 155. Each Chimei Entity denies the allegations in paragraph 155 to the extent they are
3 directed to that Chimei Entity and otherwise denies the allegations in paragraph 155 for lack of
4 knowledge or information sufficient to form a belief as to their truth.

5 156. Each Chimei Entity refers to CMO's plea agreement and the statements contained
6 therein and otherwise denies the allegations in paragraph 156 to the extent they are directed to that
7 Chimei Entity. Each Chimei Entity denies all other allegations in paragraph 156 for lack of
8 knowledge or information sufficient to form a belief as to their truth.

9 **2. Defendants engaged in illegal communications about pricing in the U.S.**

10 157. Each Chimei Entity denies the allegations in paragraph 157 to the extent they are
11 directed to that Chimei Entity and otherwise denies all other allegations in paragraph 157 for lack
12 of knowledge or information sufficient to form a belief as to their truth. To the extent that
13 paragraph 157 purports to paraphrase testimony of "James Yang of Chi Mei," the alleged
14 statement is incomplete and presented out of context, and each Chi Mei Entity further denies the
15 allegations in paragraph 157 on that basis.

16 158. Each Chimei Entity denies the allegations in paragraph 158 to the extent they are
17 directed to that Chimei Entity and otherwise denies the allegations in paragraph 158 for lack of
18 knowledge or information sufficient to form a belief as to their truth.

19 159. Each Chimei Entity denies the allegations in paragraph 159 to the extent they are
20 directed to that Chimei Entity and otherwise denies the allegations in paragraph 159 for lack of
21 knowledge or information sufficient to form a belief as to their truth.

22 160. Each Chimei Entity denies the allegations in paragraph 160 to the extent they are
23 directed to that Chimei Entity and otherwise denies the allegations in paragraph 160 for lack of
24 knowledge or information sufficient to form a belief as to their truth.

25 **3. Defendants engaged in illegal communications about pricing with**
26 **respect to small panels**

27 161. Each Chimei Entity denies the allegations in paragraph 161 to the extent they are
28 directed to that Chimei Entity and otherwise denies the allegations in paragraph 161 for lack of

1 knowledge or information sufficient to form a belief as to their truth.

2 162. Each Chimei Entity denies the allegations in paragraph 162 to the extent they are
3 directed to that Chimei Entity. Each Chimei Entity denies all other allegations in paragraph 162
4 for lack of knowledge or information sufficient to form a belief as to their truth. To the extent that
5 the second bullet in paragraph 162 refers to a discussion regarding the market for small and
6 medium sized panels between “Chi Mei” and another defendant, the reference is incomplete and
7 presented out of context, and each Chimei Entity further denies the allegations in paragraph 162
8 on that basis.

9 **B. Defendants’ Participation in the Conspiracy in California**

10 163. Each Chimei Entity refers to CMO’s plea agreement and the statements contained
11 therein and otherwise denies the allegations in paragraph 163 to the extent they are directed to that
12 Chimei Entity, except CMO-USA and NMT-USA admit that they have maintained offices in
13 California. Each Chimei Entity denies all other allegations in paragraph 163 for lack of
14 knowledge or information sufficient to form a belief as to their truth.

15 164. Each Chimei Entity denies the allegations in paragraph 164 to the extent they are
16 directed to that Chimei Entity and otherwise denies the allegations in paragraph 164 for lack of
17 knowledge or information sufficient to form a belief as to their truth.

18 165. Each Chimei Entity denies the allegations in paragraph 165 for lack of knowledge
19 or information sufficient to form a belief as to their truth.

20 166. Each Chimei Entity denies the allegations in paragraph 166 to the extent they are
21 directed to that Chimei Entity and otherwise denies the allegations in paragraph 166 for lack of
22 knowledge or information sufficient to form a belief as to their truth.

23 167. Each Chimei Entity denies the allegations in paragraph 167 to the extent they are
24 directed to that Chimei Entity and otherwise denies the allegations in paragraph 167 for lack of
25 knowledge or information sufficient to form a belief as to their truth.

26 168. Each Chimei Entity denies the allegations in paragraph 168 to the extent they are
27 directed to that Chimei Entity and otherwise denies the allegations in paragraph 168 for lack of
28 knowledge or information sufficient to form a belief as to their truth.

1 169. Each Chimei Entity denies the allegations in paragraph 169 for lack of knowledge
2 or information sufficient to form a belief as to their truth.

3 170. Each Chimei Entity denies the allegations in paragraph 170 to the extent they are
4 directed to that Chimei Entity and otherwise denies the allegations in paragraph 170 for lack of
5 knowledge or information sufficient to form a belief as to their truth.

6 171. Each Chimei Entity denies the allegations in paragraph 171 to the extent they are
7 directed to that Chimei Entity and otherwise denies the allegations in paragraph 171 for lack of
8 knowledge or information sufficient to form a belief as to their truth.

9 172. Each Chimei Entity denies the allegations in paragraph 172 to the extent they are
10 directed to that Chimei Entity and otherwise denies the allegations in paragraph 172 for lack of
11 knowledge or information sufficient to form a belief as to their truth.

12 173. Each Chimei Entity denies the allegations in paragraph 173 for lack of knowledge
13 or information sufficient to form a belief as to their truth.

14 **C. Defendants Have Been Charged With and Have Pleaded Guilty to Fixing the**
15 **Price of LCD Panels and LCD Products Sold in the U.S.**

16 174. Each Chimei Entity admits that various government authorities have investigated
17 LCD manufacturers at various points in time, but otherwise denies the allegations in paragraph
18 174 for lack of knowledge or information sufficient to form a belief as to their truth.

19 175. Each Chimei Entity denies the allegations in paragraph 175 for lack of knowledge
20 or information sufficient to form a belief as to their truth.

21 176. Each Chimei Entity denies the allegations in paragraph 176 for lack of knowledge
22 or information sufficient to form a belief as to their truth.

23 177. Each Chimei Entity refers to CMO's plea agreement and the statements contained
24 therein, and otherwise denies the allegations in paragraph 177 to the extent they are directed to
25 that Chimei Entity.

26 178. Each Chimei Entity denies the allegations in paragraph 178 for lack of knowledge
27 or information sufficient to form a belief as to their truth.

28 179. Each Chimei Entity denies the allegations in paragraph 179 for lack of knowledge

1 or information sufficient to form a belief as to their truth.

2 180. Each Chimei Entity denies the allegations in paragraph 180 for lack of knowledge
3 or information sufficient to form a belief as to their truth.

4 181. Each Chimei Entity denies the allegations in paragraph 181 for lack of knowledge
5 or information sufficient to form a belief as to their truth.

6 182. Each Chimei Entity denies the allegations in paragraph 182 for lack of knowledge
7 or information sufficient to form a belief as to their truth.

8 183. Each Chimei Entity denies the allegations in paragraph 183 for lack of knowledge
9 or information sufficient to form a belief as to their truth.

10 184. Each Chimei Entity denies the allegations in paragraph 184 for lack of knowledge
11 or information sufficient to form a belief as to their truth.

12 185. Each Chimei Entity denies the allegations in paragraph 185 to the extent they are
13 directed to that Chimei Entity and otherwise denies the allegations in paragraph 185 for lack of
14 knowledge or information sufficient to form a belief as to their truth.

15 186. Each Chimei Entity denies the allegations in paragraph 186 to the extent they are
16 directed to that Chimei Entity and otherwise denies the allegations in paragraph 186 for lack of
17 knowledge or information sufficient to form a belief as to their truth.

18 187. Each Chimei Entity denies the allegations in paragraph 187 for lack of knowledge
19 or information sufficient to form a belief as to their truth.

20 188. Each Chimei Entity denies the allegations in paragraph 188 to the extent they are
21 directed to that Chimei Entity and otherwise denies the allegations in paragraph 188 for lack of
22 knowledge or information sufficient to form a belief as to their truth.

23 189. Each Chimei Entity denies the allegations in paragraph 189 to the extent they are
24 directed to that Chimei Entity and otherwise denies the allegations in paragraph 189 for lack of
25 knowledge or information sufficient to form a belief as to their truth.

26 190. Paragraph 190 consists of Plaintiff's explanation of terminology, to which no
27 response is required. To the extent a response is required, each Chi Mei Entity denies any basis
28 for grouping together members of the same corporate family under one collective designation

1 (such as “Chi Mei”), and otherwise denies the allegations in paragraph 190 to the extent directed
2 to that Chi Mei Entity. Each Chimei Entity denies the remaining allegations in paragraph 190 for
3 lack of knowledge or information sufficient to form a belief as to their truth.

4 **D. Pricing in the LCD Panel Market Indicates Collusion by Defendants**

5 191. Each Chimei Entity denies the allegations in paragraph 191.

6 192. Each Chimei Entity denies the allegations in paragraph 192

7 193. Each Chimei Entity denies the allegations in paragraph 193.

8 194. Each Chimei Entity denies the allegations in paragraph 194.

9 195. Each Chimei Entity refers to CMO’s plea agreement and the statements contained
10 therein, and otherwise denies the allegations in paragraph 195.

11 196. Each Chimei Entity denies the allegations in paragraph 196 to the extent they are
12 directed to that Chimei Entity and otherwise denies the allegations in paragraph 196 for lack of
13 knowledge or information sufficient to form a belief as to their truth.

14 197. Each Chimei Entity denies the allegations in paragraph 197 to the extent they are
15 directed to that Chimei Entity and otherwise denies the allegations in paragraph 197 for lack of
16 knowledge or information sufficient to form a belief as to their truth.

17 198. Each Chimei Entity denies the allegations in paragraph 198 for lack of knowledge
18 or information sufficient to form a belief as to their truth.

19 199. Each Chimei Entity denies the allegations in paragraph 199 to the extent they are
20 directed to that Chimei Entity and otherwise denies the remaining allegations in paragraph 199 for
21 lack of knowledge or information sufficient to form a belief as to their truth.

22 200. Each Chimei Entity denies the allegations in paragraph 200 to the extent they are
23 directed to that Chimei Entity and otherwise denies the allegations in paragraph 200 for lack of
24 knowledge or information sufficient to form a belief as to their truth.

25 201. Each Chimei Entity denies the allegations in paragraph 201 to the extent they are
26 directed to that Chimei Entity and otherwise denies the allegations in paragraph 201 for lack of
27 knowledge or information sufficient to form a belief as to their truth.

28 202. Each Chimei Entity denies the allegations in paragraph 202 to the extent they are

1 directed to that Chimei Entity and otherwise denies the allegations in paragraph 202 for lack of
2 knowledge or information sufficient to form a belief as to their truth.

3 203. Each Chimei Entity denies the allegations in paragraph 203 to the extent they are
4 directed to that Chimei Entity and otherwise denies the allegations in paragraph 203 for lack of
5 knowledge or information sufficient to form a belief as to their truth.

6 204. Each Chimei Entity denies the allegations in paragraph 204 to the extent they are
7 directed to that Chimei Entity, except CMO admits that it publicly reported revenue of about
8 NT\$8.8 billion in the first quarter of 2002. Each Chimei Entity refers to the reports for their full
9 context. Each Chimei Entity denies the allegations in paragraph 204 directed to the conduct of
10 other defendants for lack of knowledge or information sufficient to form a belief as to their truth.

11 205. Each Chimei Entity denies the allegations in paragraph 205 to the extent they are
12 directed to that Chimei Entity and otherwise denies the allegations in paragraph 205 for lack of
13 knowledge or information sufficient to form a belief as to their truth.

14 **E. The Conspiracy Extended to Earlier LCD Technologies**

15 206. Each Chimei Entity denies the allegations in paragraph 206 for lack of knowledge
16 or information sufficient to form a belief as to their truth.

17 207. Each Chimei Entity denies the allegations in paragraph 207 to the extent they are
18 directed to that Chimei Entity and otherwise denies the allegations in paragraph 207 for lack of
19 knowledge or information sufficient to form a belief as to their truth.

20 **1. Defendants' Bilateral Communications Regarding STN-LCD Panels**

21 208. Each Chimei Entity denies the allegations in paragraph 208 to the extent they are
22 directed to that Chimei Entity and otherwise denies the allegations in paragraph 208 for lack of
23 knowledge or information sufficient to form a belief as to their truth.

24 209. Each Chimei Entity denies the allegations in paragraph 209 for lack of knowledge
25 or information sufficient to form a belief as to their truth.

26 210. Each Chimei Entity denies the allegations in paragraph 210 for lack of knowledge
27 or information sufficient to form a belief as to their truth.

28 211. Each Chimei Entity denies the allegations in paragraph 211 to the extent they are

1 directed to that Chimei Entity and otherwise denies the allegations in paragraph 211 for lack of
2 knowledge or information sufficient to form a belief as to their truth.

3 212. Each Chimei Entity denies the allegations in paragraph 212 for lack of knowledge
4 or information sufficient to form a belief as to their truth.

5 213. Each Chimei Entity denies the allegations in paragraph 213 to the extent they are
6 directed to that Chimei Entity and otherwise denies the allegations in paragraph 213 for lack of
7 knowledge or information sufficient to form a belief as to their truth.

8 214. Each Chimei Entity denies the allegations in paragraph 214 to the extent they are
9 directed to that Chimei Entity and otherwise denies the allegations in paragraph 214 for lack of
10 knowledge or information sufficient to form a belief as to their truth.

11 215. Each Chimei Entity denies the allegations in paragraph 215 for lack of knowledge
12 or information sufficient to form a belief as to their truth.

13 216. Each Chimei Entity denies the allegations in paragraph 216 to the extent they are
14 directed to that Chimei Entity and otherwise denies the allegations in paragraph 216 for lack of
15 knowledge or information sufficient to form a belief as to their truth.

16 217. Each Chimei Entity denies the allegations in paragraph 217 for lack of knowledge
17 or information sufficient to form a belief as to their truth.

18 218. Each Chimei Entity denies the allegations in paragraph 218 to the extent they are
19 directed to that Chimei Entity and otherwise denies the allegations in paragraph 218 for lack of
20 knowledge or information sufficient to form a belief as to their truth.

21 219. Each Chimei Entity denies the allegations in paragraph 219 to the extent they are
22 directed to that Chimei Entity and otherwise denies the allegations in paragraph 219 for lack of
23 knowledge or information sufficient to form a belief as to their truth.

24 220. Each Chimei Entity denies the allegations in paragraph 220 for lack of knowledge
25 or information sufficient to form a belief as to their truth.

26 221. Each Chimei Entity denies the allegations in paragraph 221 to the extent they are
27 directed to that Chimei Entity and otherwise denies the allegations in paragraph 221 for lack of
28 knowledge or information sufficient to form a belief as to their truth.

1 222. Each Chimei Entity denies the allegations in paragraph 222 to the extent they are
2 directed to that Chimei Entity and otherwise denies the allegations in paragraph 222 for lack of
3 knowledge or information sufficient to form a belief as to their truth.

4 **2. The Structure of the LCD Panel Market Facilitated the Inflation of**
5 **Prices of STN-LCD Panels As Well As TFT-LCD Panels**

6 223. Each Chimei Entity denies the allegations in paragraph 223 for lack of knowledge
7 or information sufficient to form a belief as to their truth.

8 224. Each Chimei Entity denies the allegations in paragraph 224 for lack of knowledge
9 or information sufficient to form a belief as to their truth.

10 225. Each Chimei Entity denies the allegations in paragraph 225 to the extent they are
11 directed to that Chimei Entity and otherwise denies the allegations in paragraph 225 for lack of
12 knowledge or information sufficient to form a belief as to their truth.

13 226. Each Chimei Entity denies the allegations in paragraph 226 for lack of knowledge
14 or information sufficient to form a belief as to their truth.

15 227. Each Chimei Entity denies the allegations in paragraph 227 to the extent they are
16 directed to that Chimei Entity and otherwise denies the allegations in paragraph 227 for lack of
17 knowledge or information sufficient to form a belief as to their truth.

18 228. Each Chimei Entity denies the allegations in paragraph 228 to the extent they are
19 directed to that Chimei Entity and otherwise denies the allegations in paragraph 228 for lack of
20 knowledge or information sufficient to form a belief as to their truth.

21 229. Each Chimei Entity denies the allegations in paragraph 229 to the extent they are
22 directed to that Chimei Entity and otherwise denies the allegations in paragraph 229 for lack of
23 knowledge or information sufficient to form a belief as to their truth.

24 230. Each Chimei Entity denies the allegations in paragraph 230 to the extent they are
25 directed to that Chimei Entity and otherwise denies the allegations in paragraph 230 for lack of
26 knowledge or information sufficient to form a belief as to their truth.

27 **F. The Role of Trade Associations During the Conspiracy Period**

28 231. Each Chimei Entity denies the allegations in paragraph 231 to the extent directed to

1 that Chimei Entity and otherwise denies the allegations in paragraph 231 for lack of knowledge or
2 information sufficient to form a belief as to their truth, except admits that several trade
3 organizations exist and convene meetings.

4 232. Each Chimei Entity denies the allegations in paragraph 232 to the extent directed to
5 that Chimei Entity and otherwise denies the allegations in paragraph 232 for lack of knowledge or
6 information sufficient to form a belief as to their truth, except admits that CMO has been a
7 member of the Taiwan TFT-LCD Association.

8 233. Each Chimei Entity denies the allegations in paragraph 233 for lack of knowledge
9 or information sufficient to form a belief as to their truth.

10 234. Each Chimei Entity denies the allegations in paragraph 234 for lack of knowledge
11 or information sufficient to form a belief as to their truth, except admits the existence of the
12 Semiconductor Equipment Association of Japan.

13 235. Each Chimei Entity denies the allegations in paragraph 235 to the extent directed to
14 that Chimei Entity and otherwise denies the allegations in paragraph 235 for lack of knowledge or
15 information sufficient to form a belief as to their truth, except admits the existence of the Society
16 for Information Display.

17 236. Each Chimei Entity denies the allegations in paragraph 236 to the extent directed to
18 that Chimei Entity and otherwise denies the allegations in paragraph 236 for lack of knowledge or
19 information sufficient to form a belief as to their truth.

20 237. Each Chimei Entity denies the allegations in paragraph 237 to the extent directed to
21 that Chimei Entity and otherwise denies the allegations in paragraph 237 for lack of knowledge or
22 information sufficient to form a belief as to their truth.

23 238. Each Chimei Entity denies the allegations in paragraph 238 to the extent directed to
24 that Chimei Entity and otherwise denies the allegations in paragraph 238 for lack of knowledge or
25 information sufficient to form a belief as to their truth.

26 239. Each Chimei Entity denies the allegations in paragraph 239 to the extent directed to
27 that Chimei Entity and otherwise denies the allegations in paragraph 239 for lack of knowledge or
28 information sufficient to form a belief as to their truth.

1 240. Each Chimei Entity denies the allegations in paragraph 240 to the extent directed to
2 that Chimei Entity and otherwise denies the allegations in paragraph 240 for lack of knowledge or
3 information sufficient to form a belief as to their truth.

4 241. Each Chimei Entity denies the allegations in paragraph 241 to the extent directed to
5 that Chimei Entity and otherwise denies the allegations in paragraph 241 for lack of knowledge or
6 information sufficient to form a belief as to their truth.

7 242. Each Chimei Entity denies the allegations in paragraph 242 to the extent they are
8 directed to that Chimei Entity and otherwise denies the allegations in paragraph 242 for lack of
9 knowledge or information sufficient to form a belief as to their truth.

10 243. Each Chimei Entity denies the allegations in paragraph 243 for lack of knowledge
11 or information sufficient to form a belief as to their truth.

12 244. Each Chimei Entity denies the allegations in paragraph 244 to the extent they are
13 directed to that Chimei Entity and otherwise denies the allegations in paragraph 244 for lack of
14 knowledge or information sufficient to form a belief as to their truth.

15 **G. The Conspiracy's Effect on U.S. Commerce**

16 245. Each Chimei Entity refers to CMO's plea agreement and the statements contained
17 therein, and otherwise denies the allegations in paragraph 245 to the extent they are directed to
18 that Chimei Entity. Each Chimei Entity denies all other allegations in paragraph 245 for lack of
19 knowledge or information sufficient to form a belief as to their truth.

20 246. Each Chimei Entity refers to CMO's plea agreement and the statements contained
21 therein, and otherwise denies the allegations in paragraph 246 to the extent they are directed to
22 that Chimei Entity, except CMO and CMO-Japan admit that they shipped a limited number of
23 TFT-LCD panels to the United States during the alleged "Conspiracy Period," and CMO-USA and
24 NMT-USA admit that they have maintained offices in the United States. Each Chimei Entity
25 denies all other allegations in paragraph 246 for lack of knowledge or information sufficient to
26 form a belief as to their truth.

27 247. Each Chimei Entity denies the allegations in paragraph 247 to the extent directed to
28 that Chimei Entity, except CMO and CMO-Japan admit that they shipped a limited number of

1 TFT-LCD panels to the United States during the alleged “Conspiracy Period.” Each Chimei
2 Entity denies the remaining allegations in paragraph 247 for lack of knowledge or information
3 sufficient to form a belief as to their truth.

4 248. Each Chimei Entity denies the allegations in paragraph 248 to the extent they are
5 directed to that Chimei Entity and otherwise denies the allegations in paragraph 248 for lack of
6 knowledge or information sufficient to form a belief as to their truth.

7 249. Each Chimei Entity denies the allegations in paragraph 249 to the extent they are
8 directed to that Chimei Entity and otherwise denies the allegations in paragraph 249 for lack of
9 knowledge or information sufficient to form a belief as to their truth.

10 250. Each Chimei Entity denies the allegations in paragraph 250 to the extent they are
11 directed to that Chimei Entity and otherwise denies the allegations in paragraph 250 for lack of
12 knowledge or information sufficient to form a belief as to their truth.

13 251. Each Chimei Entity refers to CMO’s plea agreement and the statements contained
14 therein, and otherwise denies the allegations in paragraph 251 to the extent directed to that Chimei
15 Entity. Each Chimei Entity denies all other allegations in paragraph 251 for lack of knowledge or
16 information sufficient to form a belief as to their truth.

17 252. Paragraph 252 consists of a legal conclusion, to which no response is required. To
18 the extent a response is required, each Chimei Entity refers to CMO’s plea agreement and the
19 statements contained therein and otherwise denies the allegations of paragraph 252 to the extent
20 directed to that Chimei Entity. Each Chimei Entity denies the remaining allegations in paragraph
21 252 for lack of knowledge or information sufficient to form a belief as to their truth.

22 **VII. PLAINTIFF’S INJURIES**

23 253. Each Chimei Entity denies the allegations in paragraph 253.

24 254. Each Chimei Entity denies the allegations in paragraph 254 to the extent directed to
25 that Chimei Entity and further denies the allegations in paragraph 254 for lack of knowledge or
26 information sufficient to form a belief as to their truth.

27 255. Each Chimei Entity denies the allegations in paragraph 255 for lack of knowledge
28 or information sufficient to form a belief as to their truth.

1 256. Each Chimei Entity denies the allegations in paragraph 256 to the extent directed to
2 that Chimei Entity and further denies the allegations in paragraph 256 for lack of knowledge or
3 information sufficient to form a belief as to their truth.

4 257. Each Chimei Entity denies the allegations in paragraph 257 to the extent directed to
5 that Chimei Entity and further denies the allegations in paragraph 257 for lack of knowledge or
6 information sufficient to form a belief as to their truth.

7 258. Each Chimei Entity denies the allegations in paragraph 258 to the extent directed to
8 that Chimei Entity and further denies the allegations in paragraph 258 for lack of knowledge or
9 information sufficient to form a belief as to their truth.

10 259. Each Chimei Entity denies the allegations in paragraph 259 to the extent directed to
11 that Chimei Entity and further denies the allegations in paragraph 259 for lack of knowledge or
12 information sufficient to form a belief as to their truth.

13 **VIII. FRAUDULENT CONCEALMENT, EQUITABLE TOLLING, AND CONTINUING**
14 **TORT DOCTRINE**

15 260. Each Chimei Entity denies the allegations in paragraph 260 to the extent directed to
16 that Chimei Entity and further denies the allegations in paragraph 260 for lack of knowledge or
17 information sufficient to form a belief as to their truth.

18 261. Each Chimei Entity denies the allegations in paragraph 261 to the extent directed to
19 that Chimei Entity and further denies the allegations in paragraph 261 for lack of knowledge or
20 information sufficient to form a belief as to their truth.

21 262. Each Chimei Entity denies the allegations in paragraph 262 to the extent directed to
22 that Chimei Entity and further denies the allegations in paragraph 262 for lack of knowledge or
23 information sufficient to form a belief as to their truth.

24 263. Each Chimei Entity denies the allegations in paragraph 263 to the extent directed to
25 that Chimei Entity and further denies the allegations in paragraph 263 for lack of knowledge or
26 information sufficient to form a belief as to their truth.

27 264. Each Chimei Entity denies the allegations in paragraph 264 to the extent directed to
28 that Chimei Entity and further denies the allegations in paragraph 264 for lack of knowledge or

1 information sufficient to form a belief as to their truth.

2 265. Each Chimei Entity denies the allegations in paragraph 265 for lack of knowledge
3 or information sufficient to form a belief as to their truth.

4 266. Each Chimei Entity denies the allegations in paragraph 266 to the extent directed to
5 that Chimei Entity and further denies the allegations in paragraph 266 for lack of knowledge or
6 information sufficient to form a belief as to their truth.

7 267. Each Chimei Entity denies the allegations in paragraph 267 to the extent directed to
8 that Chimei Entity and further denies the allegations in paragraph 267 for lack of knowledge or
9 information sufficient to form a belief as to their truth.

10 268. Each Chimei Entity denies the allegations in paragraph 268 to the extent directed to
11 that Chimei Entity and otherwise denies the allegations in paragraph 268 for lack of knowledge or
12 information sufficient to form a belief as to their truth.

13 269. Each Chimei Entity denies the allegations in paragraph 269 to the extent directed to
14 that Chimei Entity and otherwise denies the allegations in paragraph 269 for lack of knowledge or
15 information sufficient to form a belief as to their truth.

16 270. Each Chimei Entity denies the allegations in paragraph 270 for lack of knowledge
17 or information sufficient to form a belief as to their truth.

18 271. Each Chimei Entity denies the allegations in paragraph 271 to the extent directed to
19 that Chimei Entity and otherwise denies the allegations in paragraph 271 for lack of knowledge or
20 information sufficient to form a belief as to their truth.

21 272. Each Chimei Entity denies the allegations in paragraph 272 to the extent directed to
22 that Chimei Entity. To the extent paragraph 272 purports to quote a vice-president at “Chi Mei,”
23 the allegations are presented out of context and are further denied on that basis. Each Chimei
24 Entity denies the remaining allegations in paragraph 272 for lack of knowledge or information
25 sufficient to form a belief as to their truth.

26 273. Each Chimei Entity denies the allegations in paragraph 273 to the extent directed to
27 that Chimei Entity and otherwise denies the allegations in paragraph 273 for lack of knowledge or
28 information sufficient to form a belief as to their truth.

1 **Second Additional Defense**

2 Applicable statutes of limitations, including without limitation the Clayton Act § 4B (15
3 U.S.C. § 15b), bar Plaintiff's claims.

4 **Third Additional Defense**

5 Plaintiff's claims are barred, in whole or in part, because this Court lacks subject-matter
6 jurisdiction to adjudicate such claims.

7 **Fourth Additional Defense**

8 Plaintiff has failed to allege fraud or fraudulent concealment with the particularity required
9 by Rule 9(b) of the Federal Rules of Civil Procedure.

10 **Fifth Additional Defense**

11 The Foreign Trade Antitrust Improvements Act, 15 U.S.C. § 6a, bars Plaintiff's claims.

12 **Sixth Additional Defense**

13 Plaintiff's claims are barred, in whole or in part, to the extent Plaintiff lacks standing to
14 bring or maintain the claims set forth in the Complaint.

15 **Seventh Additional Defense**

16 Plaintiff's claims are barred, in whole or in part, to the extent that it did not purchase TFT-
17 LCD panels directly from defendants.

18 **Eighth Additional Defense**

19 Plaintiff's claims are barred to the extent it has not suffered antitrust injury.

20 **Ninth Additional Defense**

21 Plaintiff is barred from the recovery of damages, if any, because any damages were caused
22 by Plaintiff's own actions, and by Plaintiff's failure to mitigate its damages.

23 **Tenth Additional Defense**

24 Plaintiff's claims are barred because the alleged damages, if any, are speculative and
25 because of the impossibility of ascertaining and allocating those alleged damages.

26 **Eleventh Additional Defense**

27 Plaintiff's claims are barred, in whole or in part, because it has not been injured in its
28 business or property by reason of any action of any Chimei Entity.

1 **Twelfth Additional Defense**

2 Any injuries or damages Plaintiff may have suffered were caused solely and proximately
3 by the acts and/or omissions of others, including, without limitation, the prior, intervening, or
4 superseding conduct of such third parties.

5 **Thirteenth Additional Defense**

6 Plaintiff's claims for injunctive relief are barred, in whole or in part, because Plaintiff
7 failed to make the requisite showing of threatened future harm or continuing harm.

8 **Fourteenth Additional Defense**

9 Plaintiff's claims for an injunction or other equitable relief are barred, in whole or in part,
10 because Plaintiff has available an adequate remedy at law.

11 **Fifteenth Additional Defense**

12 Plaintiff's claims are barred, in whole or in part, by Plaintiff's failure to exercise due
13 diligence to uncover any alleged conspiracy.

14 **Sixteenth Additional Defense**

15 Plaintiff's claims are barred in whole or in part by the doctrines of waiver, estoppel,
16 unclean hands, and/or laches.

17 **Seventeenth Additional Defense**

18 To the extent that any actionable conduct occurred, Plaintiff's claims are barred because all
19 such conduct would have been committed by individuals acting *ultra vires*.

20 **Eighteenth Additional Defense**

21 Plaintiff's claims are barred to the extent that they or their assignors have agreed to
22 arbitration or agreed to a different forum for the resolution of their claims. Each of the Chimei
23 Entities specifically reserves all rights under such agreements, whether as a party to such
24 agreements, under principles of equitable estoppels, or otherwise.

25 **Nineteenth Additional Defense**

26 Plaintiff's claims are barred, in whole or in part, by reason of Plaintiff's ratification of,
27 acquiescence in, agreement, or consent to the alleged conduct of each Chimei Entity.

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Twentieth Additional Defense

Plaintiff’s claims should be dismissed to the extent they are barred, in whole or in part, because the Chimei Entities’ actions did not lessen competition in the relevant market.

Twenty-First Additional Defense

Plaintiff’s claims are barred, in whole or in part, because Plaintiff has failed to allege that any Chimei Entity possessed or possesses market power in any legally cognizable relevant market.

Twenty-Second Additional Defense

Plaintiff’s claims for an illegal overcharge are barred, in whole or in part, to the extent that such overcharge, the existence of which the Chimei Entities expressly deny, was absorbed, in whole or in part, by others, and was not passed through to Plaintiff.

Twenty-Third Additional Defense

Plaintiff’s claims are barred, in whole or in part, because Plaintiff would be unjustly enriched if it were allowed to recover any part of the damages alleged in the Complaint.

Twenty-Fourth Additional Defense

Plaintiff’s claims are barred, in whole or in part, to the extent the injuries alleged in the Complaint, the fact and extent of which are expressly denied by the Chimei Entities, were directly and proximately caused by or contributed to by the statements, acts, or omissions of Plaintiff or third persons or entities unaffiliated with the Chimei Entities.

Twenty-Fifth Additional Defense

Plaintiff’s claims are barred, in whole or in part, by the doctrines of res judicata and/or collateral estoppel.

Twenty-Sixth Additional Defense

Plaintiff’s claims are improperly joined within the meaning of Rule 20 of the Federal Rules of Civil Procedure, because they did not arise out of the same transaction, occurrence, or series of transactions or occurrences and/or do not involve questions of law or fact common to all defendants.

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Twenty-Seventh Additional Defense

Plaintiff’s claims are barred, in whole or in part, by the doctrines of accord and satisfaction and/or release and settlement.

Twenty-Eighth Additional Defense

Plaintiff’s claims are barred, in whole or in part, by reason of claim splitting and by the doctrine of election of remedies.

Twenty-Ninth Additional Defense

Plaintiff’s claims are barred, in whole or in part, insofar as the alleged conduct of each Chimei Entity was caused by, due to, based upon, or in response to directives, laws, regulations, policies, and/or acts of governments, governmental agencies and entities, and/or regulatory agencies and, as such, is non-actionable or privileged.

Thirtieth Additional Defense

Plaintiff’s claims should be dismissed to the extent that they are barred, in whole or in part, for failure to join indispensable parties.

Thirty-First Additional Defense

Plaintiff’s claims, to the extent that they are based on alleged contracts, are barred, in whole or in part, because such alleged contracts lacked consideration.

Thirty-Second Additional Defense

Plaintiff’s claims, to the extent that they are based on alleged contracts, are barred, in whole or in part, by operation of the Statute of Frauds.

Thirty-Third Additional Defense

Plaintiff’s claims, to the extent that they are based on alleged contracts, are barred, in whole or in part, insofar as the alleged contracts resulted from a mutual mistake.

Thirty-Fourth Additional Defense

Plaintiff’s claims are barred, in whole or in part, because any actions or practices of any Chimei Entity that are the subject of the Complaint were not a product of any contract, combination, or conspiracy between any Chimei Entity and any other person or entity.

1 **Thirty-Fifth Additional Defense**

2 Plaintiff's claims are barred, in whole or in part, by the voluntary payment doctrine, under
3 which Plaintiff is not entitled to recover payments made with full knowledge of the facts.

4 **Thirty-Sixth Additional Defense**

5 Plaintiff's claims should be dismissed to the extent that they are barred, in whole or in part,
6 because any claimed injury or damage has been offset by benefits that Plaintiff received with
7 respect to the challenged conduct.

8 **Thirty-Seventh Additional Defense**

9 Plaintiff's claims are barred, in whole or in part, because an award of treble damages
10 against the Chimei Entities based on the conduct alleged in the Complaint would violate the due
11 process clauses of the Fifth and Fourteenth Amendments of the United States Constitution.

12 **Thirty-Eighth Additional Defense**

13 Plaintiff's claims are barred, in whole or in part, from recovery of damages to the extent
14 that any restitution or award of damages to Plaintiff would be excessive, punitive, and
15 disproportionate to any alleged injury suffered by Plaintiff.

16 **Thirty-Ninth Additional Defense**

17 Plaintiff's claims are barred, in whole or in part, to the extent that Plaintiff seeks damages
18 that are duplicative of damages sought in other actions.

19 **Fortieth Additional Defense**

20 An award of attorneys' fees, based upon the conduct alleged in the Complaint, is not
21 allowed under applicable federal or state law.

22 **Forty-First Additional Defense**

23 Plaintiff's claims are barred, in whole or in part, because there is no sufficient nexus
24 between the transactions at issue and California and/or New York trade or commerce.

25 **Forty-Second Additional Defense**

26 Plaintiff's claims are barred, in whole or in part, because they do not establish that
27 Plaintiff's nationwide purchases of TFT-LCD Products had the substantial contacts with
28 California and/or New York necessary to satisfy Due Process.

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Forty-Third Additional Defense

Without admitting the existence of any contract, combination, or conspiracy in restraint of trade, each Chimei Entity avers that it is entitled to set off any amounts paid to Plaintiff by any other defendants who have settled, or do settle, Plaintiff's claims against them in this matter.

Forty-Fourth Additional Defense

Each Chimei Entity incorporates by reference and asserts to the extent applicable all other additional and/or affirmative defenses set forth in the answers to the Complaint of each of the other defendants.

Forty-Fifth Additional Defense

Each Chimei Entity reserves the right to assert other defenses as this action proceeds up to and including the time of trial.

X. PRAYER FOR RELIEF

WHEREFORE, having fully answered Plaintiff's Complaint, each Chimei Entity prays as follows:

1. That the Court dismiss Plaintiff's First Amended Complaint with prejudice;
2. That the Court enter judgment in favor of each respective Chimei Entity;
3. That the Court award each Chimei Entity its respective costs and expenses, including attorneys' fees; and
4. That the Court award further relief as deemed just and proper.

1 Dated: March 5, 2012

Respectfully submitted,

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3 SIMPSON THACHER & BARTLETT LLP

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