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# Report: EU set to levy big fine on Intel

by Brooke Crothers

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A number of reports say the European Commission will levy a large fine on Intel this week for violating antitrust rules.

The decision to fine the world's largest chipmaker will be handed down on Wednesday, according to Reuters. This action has been expected.

The Commission, part of the European Union, will also order Intel to change the way it provides rebates to computer makers, according to Reuters. On Friday, Commission officials discussed the Intel fine with "national competition authorities," Reuters said.

Intel's only real competition in the worldwide PC processor market is Advanced Micro Devices, which sued Intel in 2005 on antitrust grounds. Intel has been wrangling with the EU since 2001, when AMD filed a complaint.

Last July, the Commission made additional charges against Intel for abusing its dominant position in the chip market in Europe. The charges include offering inducements to European retailers for not buying processors from AMD.

Intel was also charged with paying "a leading original equipment manufacturer (OEM)" to delay the launch of a product with an AMD CPU, and giving "substantial" rebates to the same OEM if it bought only CPUs from Intel.

Various reports are characterizing the fine as one of the largest in Europe's antitrust history. Last year, a fine levied by the Commission on Microsoft exceeded \$1 billion in total--a record.



Brooke Crothers is a former editor at large at CNET News.com, and has been an editor for the Asian weekly version of the *Wall Street Journal*. He writes for the <u>CNET Blog Network</u>, and is not a current employee of CNET. Contact him at mbcrothers@gmail.com. <u>Disclosure</u>.

Topics: <u>Intel</u>, <u>AMD</u>

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