



Department of Justice

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FLORIDA ELECTRICAL CONTRACTOR AGREES TO PLEAD GUILTY TO BID RIGGING ON ELECTRICAL CONSTRUCTION CONTRACTS

WASHINGTON, D.C. - A Florida electrical contractor today was charged with conspiring to rig bids with respect to construction contracts in support of the Evolved Expendable Launch Vehicle (EELV) program supported by the United States Air Force. The contractor has agreed to plead guilty and pay a criminal fine of \$175,000.

According to the one-count felony charge filed in the U.S. District Court in Orlando, Florida, Woodson & Associates Inc. (Woodson) of Titusville, Florida participated in a conspiracy to suppress and eliminate competition from at least March 1998 until June 2002 by rigging a series of bids on electrical construction contracts with regard to the EELV program at Space Launch Complex 37 at Cape Canaveral Air Force Station (CCAFS). The plea agreement is subject to court approval.

Woodson was charged with carrying out the conspiracy with its co-conspirators, by, among other things:

Attending meetings and engaging in telephone conversations during which it discussed the submission of prospective bids on contracts with respect to the EELV program at Space Launch Complex 37 at CCAFS;

Agreeing during those meetings and telephone conversations not to compete on certain projects at Space Launch Complex 37; specifically Raytheon Engineers and Constructors, Inc. (Raytheon) Project 7158 (Underground Duct Bank), and Project 7501 (Fire Alarm and Smoke Detection Systems);

Agreeing during those meetings and telephone calls not to compete by designating Woodson the successful bidder on those projects; and

Submitting bids to Raytheon on Projects 7158 and 7501, which contained false, fictitious, and fraudulent statements and entries.

"Today's charge and plea demonstrates our ongoing commitment to prosecute anticompetitive conduct that undermines the competitive bidding process," said Scott D. Hammond, Deputy Assistant Attorney General in charge of the Antitrust Division's Criminal Enforcement Program.

Woodson is charged with bid rigging in violation of the Sherman Act, 15 U.S.C. § 1, which carries a maximum fine of \$10 million for companies for violations occurring before June 22, 2004. The maximum fine may be increased to twice the gain derived from the crime or twice the loss suffered by the victims of the crime, if either of those amounts is greater than the statutory maximum fine.

The ongoing investigation is being conducted by the Antitrust Division's Atlanta Field Office, with the assistance of the National Aeronautics and Space Administration, Office of Inspector General, and the United States Air Force Office of Special Investigations.

Anyone with information concerning bid rigging or other anticompetitive conduct regarding construction contracts in support of the EELV program should contact the Atlanta Field Office of the Antitrust Division at (404) 331-7100.