



Department of Justice

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FORMER AIR FRANCE CARGO EXECUTIVES INDICTED IN CONSPIRACY TO FIX RATES AND SURCHARGES ON AIR CARGO SHIPMENTS

WASHINGTON — A Chicago grand jury returned an indictment today against two former executives of Paris-based Société Air France (Air France), for participating in a conspiracy to fix and coordinate surcharges on air cargo shipments to and from the United States and elsewhere and air cargo service rates to certain locations in the United States and elsewhere, the Department of Justice announced today. The indictment further alleges that the former executives along with co-conspirators also agreed to refuse to pay their customers commissions on surcharges for air cargo shipments to and from the United States and elsewhere.

The indictment, returned today in U.S. District Court in Chicago, charges Marc Boudier, former executive vice president of the cargo division of Air France, and Jean Charles Foucault, former vice president of the cargo division of sales and marketing of Air France, with conspiring with other air cargo carriers and their officials to suppress and restrain competition for international air cargo services. The department said that Boudier and Foucault carried out a conspiracy by fixing and coordinating rates on air cargo shipments to certain U.S. locations and elsewhere and surcharges on air cargo shipments to and from the United States and elsewhere, and refusing to pay their customers commissions on surcharges for air cargo shipments to and from the United States and elsewhere. According to the indictment, Boudier and Foucault participated in the conspiracy from at least as early as August 2004 until at least February 2006.

Air cargo carriers transport a variety of cargo shipments, such as heavy equipment, perishable commodities and consumer goods, on scheduled international flights.

According to the indictment, Boudier, Foucault and co-conspirators carried out the conspiracy by participating in or directing the participation of subordinate employees in meetings, conversations and communications to discuss rates for air cargo shipments to certain U.S. locations and elsewhere and surcharges for air cargo shipments to and from the United States and elsewhere. The department said, in accordance with the agreement and understanding reached by Boudier, Foucault and co-conspirators, they issued announcements of increases on surcharges and rates.

Boudier and Foucault are charged with price fixing in violation of the Sherman Act, which carries a maximum penalty of 10 years in prison and a \$1 million fine for individuals. 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.

A total of 21 airlines and 21 executives, including Boudier and Foucault, have been charged in the Justice Department's ongoing investigation into price fixing in the air transportation industry. To date, more than \$1.8 billion in criminal fines have been imposed and four executives have been sentenced to serve prison time. Charges are pending against the remaining 17 executives, including Boudier and Foucault.

Today's charge is the result of a joint investigation into the air transportation industry being conducted by the Antitrust Division's National Criminal Enforcement Section and Cleveland Field Office, the FBI's Atlanta and Washington Field Offices, the Department of Transportation's Office of Inspector General and the U.S. Postal Service's Office of Inspector General. Anyone with information concerning price fixing or other anticompetitive conduct in the air transportation industry is urged to call the Antitrust Division's National Criminal Enforcement Section at 202-307-6694, visit <http://www.justice.gov/atr/contact/newcase.htm> or call the FBI's Atlanta Field Office at 404-679-9000 or Washington Field Office at 202-278-2000.

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