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**FLORIDA-BASED CROWLEY LINER SERVICES INC. PLEADS GUILTY TO PRICE FIXING ON FREIGHT SERVICES BETWEEN U.S. AND PUERTO RICO**

***Company Sentenced to Pay $17 Million Criminal Fine***

WASHINGTON – Jacksonville, Fla.-based Crowley Liner Services Inc. pleaded guilty and was sentenced to pay a $17 million criminal fine for its role in a conspiracy to fix prices in the coastal water freight transportation industry, the Department of Justice announced today.

According to a one-count felony charge filed yesterday in the U.S. District Court for the District of Puerto Rico, Crowley Liner Services engaged in a conspiracy to fix base rates for water transportation of certain freight between the continental United States and Puerto Rico from as early as January 2006 until at least April 2008.

Crowley Liner Services transports a variety of cargo shipments, such as heavy equipment, cargo that would not fit into containers, used cars and liquids capable of being transported only in tanker containers, on scheduled ocean voyages between the United States and Puerto Rico.

According to the charges, Crowley Liner Services and co-conspirators carried out the conspiracy by agreeing during meetings and discussions to fix the base rates to be charged to non-government purchasers of water transportation of certain freight between the continental United States and Puerto Rico. The department said that Crowley Liner Services and co-conspirators also engaged in meetings for the purpose of monitoring and enforcing adherence to the agreed-upon rates and sold Puerto Rico freight services at collusive and noncompetitive rates.

“Including this sentencing, as a result of the Antitrust Division’s ongoing investigation, three freight companies have been sentenced to pay criminal fines totaling more than $45 million and five executives have been sentenced to serve prison time totaling more than 11 years,” said Scott D. Hammond, Deputy Assistant Attorney General of the Antitrust Division’s Criminal Enforcement Program. “By agreeing to fix prices for coastal shipping services to and from Puerto Rico, Crowley Liner Services and its co-conspirators thwarted the competitive process by forcing consumers to pay inflated rates for these services.”

On Dec. 20, 2011, Sea Star Line LLC was sentenced to pay a $14.2 million criminal fine. On March 22, 2011, Horizon Lines LLC was sentenced to pay a $15 million criminal fine. Additionally, five shipping company executives—Gabriel Serra, Peter Baci, R. Kevin Gill, Gregory Glova and Alex G. Chisholm—have pleaded guilty.  Frank Peake, the former president of Sea Star Line, was charged on Nov. 17, 2011, and is scheduled to stand trial on Jan. 14, 2013.

Crowley Liner Services pleaded guilty to price fixing in violation of the Sherman Act, which carries a maximum fine of $100 million for corporations. 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.

This case arose from an ongoing federal antitrust investigation into price fixing, bid rigging and other anticompetitive conduct in the coastal water freight transportation industry, which is being conducted by the Antitrust Division’s National Criminal Enforcement Section; the Baltimore Resident Agency of the Department of Defense’s Office of the Inspector General, Defense Criminal Investigative Service (DCIS); and the Miami Field Office of the Department of Transportation’s Office of Inspector General (DOT-OIG). Anyone with information concerning this investigation is urged to call the Antitrust Division’s National Criminal Enforcement Section at 202-307-6694, visit http://www.justice.gov/atr/contact/newcase.html or contact DCIS’s Baltimore Resident Agency at 410-347-1620.

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