



Department of Justice

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**JUSTICE DEPARTMENT CHARGES MICHIGAN COMPANY
AND EXECUTIVE WITH RIGGING BIDS TO GENERAL MOTORS**

WASHINGTON, D.C. -- A Michigan company and one of its executives were charged today with conspiring to rig bids for tooling contracts on automotive projects to General Motors Corporation, the Department of Justice Antitrust Division and the U.S. Attorney's Office in Detroit announced today.

The one-count criminal case, filed in U.S. District Court in Detroit, charges Clear Industries Inc., located in Pontiac, Michigan, and its president, Charles G. Long, with violating Section 1 of the Sherman Act by conspiring to suppress and eliminate competition by allocating contracts for tooling on automotive projects to General Motors.

According to the charges, Clear Industries, Long, and others carried out the conspiracy by arranging for the conspirators to be the only vendors allowed to bid on certain tooling contracts, designating the winning bidders, and having the companies that were not designated as winners submit intentionally high and noncompetitive bids. Both the company and the individual agreed to enter a plea of guilty to the charge.

This is the third criminal case filed in the continuing investigation into bid rigging on General Motors tooling contracts. As part of the plea agreement, which must be accepted by the court, both Long and Clear Industries have agreed to cooperate in the ongoing investigation.

Joel I. Klein, Assistant Attorney General in charge of the Antitrust Division, and Saul Green, U.S. Attorney in Detroit, said the charge resulted from an investigation conducted jointly by the Antitrust Division's Cleveland Field Office and the U.S. Attorney's Office in Detroit, with assistance from the Detroit office of the Federal Bureau of Investigation and the Internal Revenue Service, Criminal Investigation Division.

The maximum penalty for a company convicted of a violation of the Sherman Act is a fine of \$10 million, twice the pecuniary gain derived from the crime, or twice the pecuniary loss suffered by the victims of the crime, whichever is greatest.

The maximum penalty for an individual convicted of a Sherman Act violation is three years in prison and a fine which is the greatest of \$350,000, twice the pecuniary gain derived from the crime, or twice the pecuniary loss suffered by the victims of the crime.

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