



Department of Justice

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TEXAS GLASS COMPANY AND TWO EXECUTIVES CHARGED WITH BID RIGGING ON ARCHITECTURAL FLAT GLASS CONTRACTS

WASHINGTON, D.C. -- A Lubbock, Texas, glass company and two of its executives were charged today with rigging bids on contracts to supply architectural flat glass to general contractors in the Lubbock, Texas area, the Department of Justice announced.

In a one-count felony charge, filed in U.S. District Court in Lubbock, Texas, KK Glass Inc. and two of its directors--Kenneth E. Taylor and John Kevin Taylor--were charged with conspiring with unnamed co-conspirators to submit collusive, noncompetitive, and rigged bids, and to increase the profit markups on bids to general contractors for contracts to supply architectural flat glass. Architectural flat glass is fabricated into windows, doors, and curtain walls in new and renovation construction projects.

From March 1991 until at least May 1998, this bid-rigging scheme was accomplished by discussing the submission of prospective bids, agreeing on which corporate co-conspirator would be the low responsive bidder for a contract, and submitting collusive, noncompetitive and rigged bids with increased profit markups to general contractors.

Today's charge is the second to arise out of the Department's ongoing antitrust investigation into suspected bid rigging in the architectural flat glass industry.

Previously, Lubbock Glass and Mirror Company and its president Delbert Sanders were charged with conspiring to rig bids on architectural flat glass. Lubbock Glass and Mirror was

sentenced by the U. S. District Court in Lubbock on December 3, 1999 to pay a fine of \$200,000, and Sanders was required to pay a \$25,000 fine.

The investigation is being conducted by the Antitrust Division's Dallas Field Office and the Federal Bureau of Investigation's Dallas Division.

Anyone with information concerning price fixing in the architectural glass industry or bid rigging or price fixing in other industries should contact the Dallas Field Office of the Antitrust Division at (214) 880-9401 or the Lubbock Office of the FBI at (806) 765-8571.

The maximum penalty for a corporation convicted of violating the Sherman Act is a fine of \$10 million. The maximum penalty for an individual convicted of violating the Sherman Act is three years in prison and a fine of \$350,000. The fines for both corporations and individuals may be increased to twice the gain derived from the crime by the conspirators or twice the loss suffered by the victims of the crime, if either of those amounts is greater than the statutory maximum fine.

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