



Department of Justice

FOR IMMEDIATE RELEASE
TUESDAY, JULY 8, 2003
WWW.USDOJ.GOV

AT
(202) 514-2007
TDD (202) 514-1888

**FORMER NEW YORK ADVERTISING EXECUTIVE
PLEADS GUILTY TO CONSPIRACY CHARGE**

WASHINGTON, D.C. -- A former executive of a Manhattan outdoor advertising company pleaded guilty today to a fraud charge relating to his involvement in a conspiracy in which he received about \$176,000 in kickbacks from a printing vendor, the Department of Justice announced.

According to the one-count charge filed in U.S. District Court in Manhattan, Barry Holland of Northport, New York, a former vice president at Transportation Displays Inc., received kickbacks from a printing vendor, The Color Wheel Inc., in exchange for steering contracts to that company from approximately 1991 through 2000.

Transportation Displays Inc. is an advertising company that became part of Viacom Outdoor Group Inc., a division of Viacom Inc., in 2001. Holland had primary responsibility for purchasing printing at Transportation Displays Inc. and later Viacom Outdoor Group Inc.

According to the charge, the Department said that other legitimate vendors were foreclosed from selling printing to Transportation Displays Inc. because of the corrupt relationship between Holland and The Color Wheel Inc. Also, Holland's company paid higher prices for printing than it would have if he had aggressively and honestly solicited competitive prices from other vendors.

"This case demonstrates the Antitrust Division's commitment to seek out and prosecute anticompetitive practices and offenses associated with the advertising and printing and graphics

industries," said James M. Griffin, Deputy Assistant Attorney General in charge of the Antitrust Division's Criminal Enforcement Program.

On March 25, 2003, Haluk K. Ergulec, former owner of The Color Wheel Inc., a Manhattan supplier of printing and graphic services, was sentenced to 37 months in prison and ordered to pay \$1.5 million in restitution, \$100,000 of which was to be paid to Viacom Inc. for his participation in the kickback scheme involving Holland.

The conspiracy charge, 18 U.S.C. § 371, carries a maximum penalty of five years imprisonment, three years supervised release, and a \$250,000 fine. The maximum fine may be increased to twice the gain derived from the crime or twice the loss suffered by the victim of the crime, if either of those amounts is greater than the statutory maximum fine. In addition, the defendant upon conviction could be ordered to pay restitution to any victim for the full amount of that victim's loss.

This is the latest charge to arise from an ongoing federal antitrust investigation of bid rigging, bribery, fraud, and tax-related offenses in the advertising and printing/graphics industries. The investigation is being conducted by the Antitrust Division's New York Field Office, with the assistance of the Federal Bureau of Investigation and the Internal Revenue Service Criminal Investigation.

Anyone with information concerning bid rigging, bribery, tax offenses, or fraud in the advertising and printing/graphics industries should contact the New York Field Office of the Antitrust Division at (212) 264-3179 or the New York Division of the FBI at (212) 384-3252.

###