United States Courts
Southern District of Texas
FILED

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Michael N. Milby, Clerk

UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF TEXAS
HOUSTON DIVISION

UNITED STATES OF AMERICA	§		
	§		
v.	§	**Criminal No.**	**H 08 234**
	§		
CHARLES J. GILLESPIE	§		

CRIMINAL INFORMATION

The United States, through its attorneys, charges that:

DESCRIPTION OF THE OFFENSE

1. Beginning at least as early as 1999 and continuing until as late as May 2007, the exact dates being unknown to the United States, in Houston in the Southern District of Texas, and elsewhere, co-conspirators of the defendant,

CHARLES J. GILLESPIE

did enter into and engage in a combination and conspiracy to suppress and eliminate competition by rigging bids, fixing prices and allocating market shares for sales of marine hose in the United States and elsewhere. The combination and conspiracy was in unreasonable restraint of interstate and foreign trade and commerce in violation of Section 1 of the Sherman Antitrust Act (15 U.S.C. § 1).

2. Defendant CHARLES J. GILLESPIE joined and participated in the conspiracy from at least as early as 2000 until as late as May 2007.

3. The charged combination and conspiracy consisted of a continuing agreement, understanding, and concert of action among the defendant and co-conspirators, the substantial

terms of which were to rig bids, fix prices and allocate market shares for sales of marine hose in the United States and elsewhere.

MEANS AND METHODS OF THE CONSPIRACY

4. For the purpose of forming and carrying out the charged combination and conspiracy, the defendant and co-conspirators did those things that they combined and conspired to do, including, among other things:

(a) attended meetings or otherwise engaged in discussions in the United States and elsewhere by telephone, facsimile and electronic mail regarding the sale of marine hose;

(b) agreed during those meetings and discussions to allocate shares of the marine hose market among the conspirators;

(c) agreed during those meetings and discussions to a price list for marine hose in order to implement and monitor the conspiracy;

(d) agreed during those meetings and discussions not to compete for one another's customers either by not submitting prices or bids to certain customers or by submitting intentionally high prices or bids to certain customers;

(e) submitted bids in accordance with the agreements reached;

(f) provided information received from customers in the United States and elsewhere about upcoming marine hose jobs to a co-conspirator who was not an employee of any of the marine hose manufacturers, but who served as the coordinator of the conspiracy, acted as a clearinghouse for

information to be shared among the conspirators, and was paid by the manufacturers for coordinating the conspiracy;

(g) received marine hose prices for customers in the United States and elsewhere from the co-conspirator coordinator of the conspiracy;

(h) sold marine hose to customers in the United States and elsewhere at collusive and noncompetitive prices pursuant to the agreements reached;

(i) accepted payment for marine hose sold in the United States and elsewhere at collusive and noncompetitive prices;

(j) authorized or consented to the participation of subordinate employees in the conspiracy; and

(k) concealed the conspiracy and conspiratorial contacts through various means, including code names and private email accounts and telephone numbers.

DEFENDANT AND CO-CONSPIRATORS

5. During the entire period covered by this Information, defendant CHARLES J. GILLESPIE was a Regional Manager in the Florida offices of a firm organized and existing under the laws of Italy, and with its principal place of business in Milan, Italy. During the entire period, this firm manufactured and sold marine hose in the United States and elsewhere.

6. Various corporations and individuals, not made defendants in this Information, participated as co-conspirators in the offense charged herein and performed acts and made statements in furtherance thereof.

TRADE AND COMMERCE

7. Marine hose is a flexible rubber hose used to transfer oil between tankers and storage facilities and/or buoys. During the period covered by this Information, the conspirator firms shipped marine hose in a continuous and uninterrupted flow of interstate and foreign commerce across state lines in the United States and from locations outside the United States to companies located in the United States. In addition, substantial quantities of related equipment, as well as payments for marine hose, travelled in interstate and foreign commerce. The victims of this conspiracy included companies involved in the off-shore extraction and/or transportation of petroleum products, as well as the United States Department of Defense.

8. During the period covered by this Information, the business activities of the defendant and his co-conspirators in connection with the manufacture and/or sale of marine hose that are the subject of this Information were within the flow of, and substantially affected, interstate and foreign trade and commerce. During the conspiracy, the defendant and his co-conspirators sold hundreds of millions of dollars worth of marine hose and related products in the United States and elsewhere.

JURISDICTION AND VENUE

9. The combination and conspiracy charged in this Information was carried out, in part, within the Southern District of Texas within the five years preceding the filing of this Information.

All in violation of Title 15, United States Code, Section 1.

Dated:

Thomas O. Barnett
Assistant Attorney General

Lisa M. Phelan
Chief, National Criminal Enforcement Section

Scott D. Hammond
Deputy Assistant Attorney General

J. Brady Dugan
Craig Y. Lee
Portia R. Brown
Jon B. Jacobs
Carol A. Bell
Attorneys
United States Department of Justice
Antitrust Division
National Criminal Enforcement Section
450 Fifth St. NW, Room 11430
Washington, DC 20530
Tel: (202) 514-1953

Marc Siegel
Director of Criminal Enforcement
Antitrust Division
United States Department of Justice