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6  
7 UNITED STATES DISTRICT COURT  
8 EASTERN DISTRICT OF CALIFORNIA  
9 FRESNO DIVISION

10  
11 UNITED STATES OF AMERICA, ) No. CRF-03-5325 OWW  
12 )  
Plaintiff, )  
13 )  
v. ) VIOLATION: 15 U.S.C. § 1 -  
14 ) Bid rigging  
15 DUANE MAYNARD, )  
16 )  
Defendant. )  
17 \_\_\_\_\_ )

18 I N F O R M A T I O N

19 The United States of America, through its attorneys, charges:

20 DESCRIPTION OF THE OFFENSE

- 21 1. DUANE MAYNARD is hereby charged and made a defendant herein.  
22 2. The E-Rate program is a federal program administered by the  
23 Universal Service Administrative Company ("USAC") under direction  
24 of the Federal Communications Commission. Telecommunications  
25 companies in the United States charge their customers fees that  
26 are ultimately disbursed by the USAC for, among other things,  
27 subsidies for the purchase of telecommunications services,  
28 Internet access, and internal connections for schools. Subject

1 to its regulations, the E-Rate program will pay for up to 90% of  
2 a school's expenditures for eligible equipment and services.

3 3. Beginning on or about February 18, 1999 and continuing at  
4 least until January 17, 2002, the exact dates being unknown to  
5 the United States, the defendant and co-conspirators entered into  
6 and engaged in a combination and conspiracy to suppress and  
7 restrain competition for an E-Rate-subsidized project to provide,  
8 among other things, goods and services related to  
9 telecommunications, Internet access, and internal connections at  
10 the West Fresno Elementary School District ("the West Fresno  
11 Elementary School District E-Rate Project") in Fresno,  
12 California, in unreasonable restraint of interstate trade and  
13 commerce, in violation of the Sherman Antitrust Act, Title 15,  
14 United States Code, Section 1.

15 DEFENDANT AND CO-CONSPIRATORS

16 4. During the period covered by this Information, DUANE MAYNARD  
17 was a citizen of the United States and a resident of the State of  
18 California. He held the title of Senior Estimator for his  
19 employer and represented his employer on the West Fresno  
20 Elementary School District E-Rate Project.

21 5. Various individuals and corporations, not made defendants in  
22 this Information, participated as co-conspirators in the offense  
23 charged and performed acts and made statements in furtherance of  
24 it.

25 THE CONSPIRACY

26 6. The charged combination and conspiracy consisted of an  
27 agreement, understanding, and concert of action among the  
28 conspirators, the substantial terms of which were to suppress

1 bidding for the West Fresno Elementary School District E-Rate  
2 Project and to allocate among conspirators responsibility for the  
3 supply of goods and services for the West Fresno Elementary  
4 School District E-Rate Project.

5 7. For the common purpose of forming and carrying out the  
6 charged combination and conspiracy, the defendant and co-  
7 conspirators together performed the following acts, among others:

8 a. agreed in advance that the defendant's employer would  
9 be the successful bidder, among the co-conspirators, to  
10 have the general responsibility for the West Fresno  
11 Elementary School District E-Rate Project;

12 b. agreed in advance that no co-conspirator other than the  
13 defendant's employer would submit to the West Fresno  
14 Elementary School District a bid for the entire West  
15 Fresno Elementary School District E-Rate Project;

16 c. agreed in advance that certain co-conspirator companies  
17 would be the defendant's employer's subcontractors for  
18 the West Fresno Elementary School District E-Rate  
19 Project;

20 d. ensured that any bid competing with that of the  
21 defendant's employer would be disqualified as  
22 nonresponsive;

23 e. provided goods and services to the West Fresno  
24 Elementary School District; and

25 //

26 //

27 //

28 f. received payments from the USAC for claimed provision

1 of goods and services to the West Fresno Elementary  
2 School District.

3 TRADE AND COMMERCE

4 8. Equipment provided as part of the West Fresno Elementary  
5 School District E-Rate Project was shipped across state lines.  
6 The payments from the USAC were sent from banks outside the State  
7 of California to a bank inside the State of California. Thus,  
8 the West Fresno Elementary School District E-Rate Project was  
9 conducted within the flow of, and substantially affected,  
10 interstate trade and commerce.

11 JURISDICTION AND VENUE

12 9. The aforesaid combination and conspiracy was formed and  
13 carried out, in part, within the Eastern District of California  
14 within the five years preceding the filing of this Information.  
15 IN VIOLATION OF TITLE 15, UNITED STATES CODE, SECTION 1.  
16 DATED this \_\_\_\_\_ day of July, 2003.

17  
18  
19 \_\_\_\_\_/s/\_\_\_\_\_  
R. HEWITT PATE  
Assistant Attorney General  
20 Antitrust Division

\_\_\_\_\_ /s/ \_\_\_\_\_  
PHILLIP H. WARREN  
Chief, San Francisco  
21 Field office

22 \_\_\_\_\_/s/\_\_\_\_\_  
JAMES M. GRIFFIN  
23 Deputy Assistant Attorney  
General

\_\_\_\_\_ /s/ \_\_\_\_\_  
MATTHEW D. SEGAL  
24 Trial Attorney

25  
26 \_\_\_\_\_/s/\_\_\_\_\_  
SCOTT D. HAMMOND  
Director of Criminal  
27 Enforcement

\_\_\_\_\_ /s/ \_\_\_\_\_  
RICHARD B. COHEN  
28 Trial Attorney