## JUSTICE NEWS

## **Department of Justice**

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## Former Security Services Executives Plead Guilty to Rigging Bids for Department of Defense Security Contracts

Two former employees of G4S Secure Solutions NV (G4S NV), pleaded guilty today to criminal antitrust charges stemming from their involvement in a conspiracy to rig bids, fix prices, and allocate customers for defense-related security services contracts. Both defendants are Belgian nationals residing in Belgium.

According to court documents, Bart Verbeeck, former Director of Sales, and Robby Van Mele, former Director of Operations, admitted that they, with their co-conspirators at competing firms, colluded to allocate security services contracts and to fix the prices at which the firms bid for contracts. The allocated contracts included those for guarding, mobile monitoring, and surveillance services with the United States, through the Department of Defense, and those with the North Atlantic Treaty Organization (NATO) Communications and Information Agency. As a result, the customers of the security services providers were deprived of a competitive bidding process and paid inflated, non-competitive prices for services.

Earlier this year, <u>G4S NV pleaded guilty</u> and was sentenced for its involvement in the conspiracy. The Department of Justice has also <u>indicted several other members of the conspiracy</u>. The department's investigation remains ongoing.

"These individual guilty pleas, which follow the sentencing of G4S NV, demonstrate the division's commitment to the vigorous enforcement of antitrust laws," said Acting Assistant Attorney General Richard A. Powers of the Department of Justice's Antitrust Division. "The division and its Procurement Collusion Strike Force partners will continue to investigate and prosecute both individual and corporate wrongdoers who seek to exploit the government procurement process."

"Safeguarding the integrity of the defense procurement process is a vital aspect of our work at the Department of Defense Office of Inspector General, Defense Criminal Investigative Service (DCIS)," said DCIS Deputy Director Paul K. Sternal. "Today's pleas demonstrate our ability to work collaboratively to investigate and prosecute illegal conduct."

"This result is an important step in enforcing the integrity of the government procurement process," said Frank Robey, Director of the U.S. Army Criminal Investigation Division's Major Procurement Fraud Unit. "We will continue to safeguard the interests of both the U.S. Army and the taxpayer."

A criminal violation of Section 1 of the Sherman Antitrust Act carries a maximum term of imprisonment of 10 years and a maximum fine of \$1 million. The fine may be increased to twice the gain derived from the crime or twice the loss suffered by the victims of the crime if either of those amounts is greater than the statutory maximum fine.

In November 2019, the Department of Justice created the Procurement Collusion Strike Force (PCSF), a joint law enforcement effort to combat antitrust crimes and related fraudulent schemes that impact government procurement, grant, and program funding at the federal, state, and local levels. In Fall 2020, the Strike Force expanded its footprint with the launch of PCSF: Global, which is designed to deter, detect, investigate, and prosecute collusive schemes that target government spending outside of the United States.

To contact the PCSF, or to report information on market allocation, price fixing, bid rigging, or other anticompetitive conduct, go to <a href="https://www.justice.gov/procurement-collusion-strike-force">https://www.justice.gov/procurement-collusion-strike-force</a>.

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