

**Missouri Businessman Arrested on Antitrust Charge for Rigging Bids at Online Government Auctions - GSA Office of Inspector General**

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**Department of Justice**

Office of Public Affairs

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FOR IMMEDIATE RELEASE

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A federal grand jury returned an indictment charging Alan Gaines, a Missouri resident, with participating in a conspiracy to rig bids submitted to the General Services Administration (GSA) at online auctions for surplus government equipment, the Department of Justice announced.

According to the indictment filed in the U.S. District Court in Minneapolis, Gaines conspired to rig bids at public online GSA auctions of surplus government equipment from about July 2012 until as late as May 2018. Gaines is the third individual charged in this investigation. Two co-conspirators, Marshall Holland and Igor Yurkovetsky, previously pleaded guilty in the investigation.

“Rigging bids at government auctions cheats taxpayers out of the benefits of competition and steals from the public purse,” said Assistant Attorney General Makan Delrahim of the Department of Justice. “This indictment affirms the Division’s commitment to safeguarding online markets and holding to account individuals who rig bids.”

“The general public deserves a level playing field when doing business with the government,” said GSA Inspector General Carol Ochoa. “GSA OIG is committed to prosecuting individuals who corrupt the system put in place for fair and competitive bidding.”

The GSA operates GSA Auctions, which offers the general public the opportunity to bid electronically on a wide variety of federal assets, including computer equipment that is no longer needed by government agencies. GSA Auctions sells that equipment via its online auctions, and the proceeds of the auctions are distributed to the government agencies or the U.S. Treasury general fund. According to the charge, the primary purpose of the conspiracy was to suppress and eliminate competition. Additionally, the co-conspirators obtained the equipment by agreeing which co-conspirators would submit bids for particular lots offered for sale by GSA Auctions and which co-conspirator would be designated to win a particular lot.

Gaines is charged with violating the Sherman Act, which carries a maximum penalty of 10 years in prison and a \$1 million criminal fine for individuals. The maximum 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. An indictment merely alleges that crimes have been committed, and all defendants are presumed innocent until proven guilty beyond a reasonable doubt.

The ongoing investigation into bid rigging at GSA auctions is being conducted by the Antitrust Division’s Chicago Office and the GSA Office of Inspector General’s Great Lakes Regional Investigations Office in Chicago, Illinois. Anyone with information concerning bid rigging or fraud related to GSA auctions should

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contact the Chicago Office of the Antitrust Division at 312-984-7200, the Antitrust Division's Citizen Complaint Center at 888-647-3258, visit <http://www.justice.gov/atr/report-violations> or email the GSA Office of Inspector General at [fraudnet@gsaig.gov](mailto:fraudnet@gsaig.gov).

Source: U.S. Department of Justice [press release](#).