

Online Bidder Pleads Guilty to Antitrust Charge for Rigging Bids at Government Auctions - GSA Office of Inspector General

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Online Bidder Pleads Guilty to Antitrust Charge for Rigging Bids at Government Auctions Second Charge Filed in GSA Auctions Investigation

Igor Yurkovetsky pleaded guilty today in connection with an ongoing investigation into a conspiracy to rig bids submitted to the General Services Administration (GSA), the Department of Justice announced.

According to the one-count felony charge filed in the U.S. District Court for the District of Minnesota in Minneapolis, Yurkovetsky conspired to rig bids at online public auctions of surplus government equipment conducted by the GSA. Yurkovetsky, a Pennsylvania resident, is charged with participating in the conspiracy from about July 2012 until as late as May 2018. He is the second individual charged in this investigation, and he has agreed to cooperate in the Department's ongoing investigation.

"Today's charge brings to justice another participant in a long-running conspiracy to corrupt online markets and cheat taxpayers and the federal government of the benefits of competition," said Assistant Attorney General Makan Delrahim of the Department of Justice's Antitrust Division. "This charge will not be the last in this investigation. The Department and its law enforcement partners are committed to prosecuting individuals who rig bids at government auctions."

The GSA operates GSA Auctions, which offers the 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.

"The integrity of GSA's online systems and programs is vital to good government," said Assistant Inspector General for Investigations James. E. Adams of the GSA. "The GSA Office of Inspector General will continue to ensure these systems and programs are free from corruption and manipulation."

A criminal violation of Section 1 of the Sherman Act carries a maximum of 10 years in prison and a \$1 million criminal fine for individuals. The maximum fines 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.

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 contact the Chicago Office of the Antitrust Division at 312-984-7200, the Antitrust Division's Citizen Complaint Center at 888-647-3258, visit www.justice.gov/atr/report-violations or email the GSA Office of Inspector

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General at fraudnet@gsaig.gov.

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