

FILED

JUN 24 2010

CLERK, U.S. DISTRICT COURT
EASTERN DISTRICT OF CALIFORNIA
BY DEPUTY CLERK

BENJAMIN B. WAGNER
United States Attorney
ROBIN R. TAYLOR
RUSSELL L. CARLBERG
Assistant U.S. Attorneys
501 "I" Street, Suite 10-100
Sacramento, California 95814
Telephone: (916) 554-2700

BARBARA J. NELSON
RICHARD B. COHEN
ALBERT B. SAMBAT
Trial Attorneys
U.S. Department of Justice
Antitrust Division
450 Golden Gate Avenue, Room 10-0101
San Francisco, CA 94102
Telephone: (415) 436-6660

IN THE UNITED STATES DISTRICT COURT
FOR THE EASTERN DISTRICT OF CALIFORNIA

2:10 - CR - 0238 EN

UNITED STATES OF AMERICA,

No.

Plaintiff,

VIOLATION: 15 U.S.C. § 1 - Bid
Rigging

v.

THEODORE B. HUTZ

Defendant.

I N F O R M A T I O N

The United States Attorney charges

THEODORE B. HUTZ

defendant herein, as follows:

1. Beginning in or about February 2009 and continuing until in or
about October 2009, the defendant THEODORE B. HUTZ and co-

1 conspirators entered into and engaged in a combination and
2 conspiracy to suppress and restrain competition by rigging bids to
3 obtain selected real estate offered at San Joaquin County,
4 California public real estate auctions in the Eastern District of
5 California, in unreasonable restraint of interstate trade and
6 commerce, in violation of the Sherman Act, Title 15, United States
7 Code, Section 1.
8

9 2. The charged combination and conspiracy consisted of a
10 continuing agreement, understanding, and concert of action among the
11 defendant and coconspirators, the substantial terms of which were:

12 a. to suppress competition by agreeing to refrain from
13 full competitive bidding against each other to obtain selected real
14 estate offered at San Joaquin County, California public real estate
15 auctions;
16

17 b. to make payoffs to one another in return for
18 suppressing competition for the selected real estate offered at the
19 public real estate auctions; and

20 c. to obtain title to real estate sold at
21 noncompetitive, rigged prices.
22

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

27 a. agreeing, during meetings, conversations, and
28 communications, to rig bids to obtain selected real estate offered

1 at San Joaquin County, California public real estate auctions;

2 b. designating, in various ways, which conspirator would
3 bid for the selected real estate at the public real estate auctions
4 for the group of conspirators;

5 c. bidding at noncompetitive amounts or refraining from
6 bidding for the selected real estate at the public real estate
7 auctions;

8 d. in many instances, holding private auctions, open
9 only to members of the conspiracy, to rebid for the selected real
10 estate obtained at the public real estate auctions;

11 e. awarding properties to the conspirators who submitted
12 the highest bids at the private auctions; and

13 f. distributing the proceeds of the private auctions as
14 payoffs, based upon a predetermined formula agreed upon by the
15 members of the conspiracy.
16

17
18 4. Various corporations and individuals, not made defendants
19 in this Information, participated as coconspirators in the offense
20 charged in this Information and performed acts and made statements
21 in furtherance of it.

22
23 5. During the period covered by this Information, the business
24 activities of the defendant and coconspirators that are the subject
25 of this Information were within the flow of, and substantially
26 affected, interstate trade and commerce. For example, mortgage
27 holders located in states other than California held mortgages,
28 appointed trustees, and received proceeds from the public auctions

1 that were subject to the bid-rigging agreement.

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

3

4 Dated:

Respectfully Submitted,

5

Benjamin B. Wagner

6

United States Attorney

7

By: /s/ ROBIN R. TAYLOR

8

ROBIN R. TAYLOR

9

RUSSELL L. CARLBERG

Assistant U.S. Attorneys

10

11

Christine A. Varney

12

Assistant Attorney General

13

By: /s/ BARBARA J. NELSON

14

BARBARA J. NELSON

15

RICHARD B. COHEN

16

ALBERT B. SAMBAT

Trial Attorneys

17

U.S. Department of Justice

Antitrust Division

18

19

20

21

22

23

24

25

26

27

28