

Organisation de Coopération et de Développement Économiques Organisation for Economic Co-operation and Development

including, if it wished, a new rate that matched the lowest rate filed by any competing bidder (a "me too" rate). Matching the lowest rate filed for a particular channel entitled a bidder to a *pro rata* share of the awards in that channel during the summer or winter season, as applicable, except that the bidder who filed the lowest rate for the particular channel in the first round would get a larger than *pro rata* share of the awards, as "incentive tonnage." As a result of this process, more than 40 companies would often submit "me too" filings at the low rate in a heavy traffic channel and would be placed on the "traffic distribution roster" and be entitled to a shipment when their names came up. This system also created the perverse incentive for companies to qualify more than one subsidiary to compete for awards in a channel.

- 6. In the *Air Van* case, Air Van agreed to "rent" its name to another company and to take direction from that company on the rates it would file in particular channels, with the understanding that the other company would service the shipments awarded to Air Van and pay Air Van a "commission" of \$1 for each hundred pounds on the shipments it was awarded. On these facts, Air Van clearly violated the terms of the CIPD it was required to file with its bid, in which it certified that that it had independently determined its rates. Thus, while DOJ ultimately decided not to pursue a Sherman Act charge against Air Van, Air Van was nonetheless prosecuted for having made a false statement in its CIPD.
- 7. The Federal Acquisition Regulations (FAR)² now require use of CIPDs in federal procurement,

11.	The DOJ has a very active training program for federal and state government procurement
officials.	Following the passage ae.8 (ent)]TJ0.00AF/COMP/WP3ent 5 -2.228 Td()T15.39