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UNITED STATES DISTRICT COURT
NORTHERN DISTRICT OF ILLINOIS
EASTERN DIVISION

UNITED STATES OF AMERICA

No. **1:22-CR-00268**

v.

Judge

JERRY P. WATSON and
COMMERCIAL CARPET
CONSULTANTS, INC.

Violations: Title 15, United States
Code, Section 1

**JUDGE ELLIS
MAGISTRATE JUDGE WEISMAN**

INFORMATION

The UNITED STATES OF AMERICA charges:

DEFENDANTS AND CO-CONSPIRATORS

1. JERRY P. WATSON and COMMERCIAL CARPET CONSULTANTS, INC., are hereby made defendants on the charge contained in this Information.

2. During the period covered by this Information:

a. COMMERCIAL CARPET CONSULTANTS, INC., was a corporation organized and existing under the laws of Illinois, with its principal place of business in the Northern District of Illinois. COMMERCIAL CARPET CONSULTANTS, INC., was a provider of commercial flooring services and products (as defined in Paragraph 6 below) engaged in the sale of commercial flooring services and products in the United States.

b. JERRY P. WATSON was an owner of COMMERCIAL CARPET CONSULTANTS, INC., and its President until in or around June 2016.

3. Various corporations and individuals not made defendants in this Information participated in the offense charged in this Information and performed

acts and made statements in furtherance thereof, including Mr. David's Flooring International, LLC, Michael P. Gannon, PCI FlorTech, Inc., and Vortex Commercial Flooring, Inc. During the period covered by this Information, Mr. David's Flooring International, LLC, was a corporation organized and existing under the laws of Delaware with a principal place of business in the Northern District of Illinois. During the period covered by this Information, PCI FlorTech, Inc., and Vortex Commercial Flooring, Inc., were corporations organized and existing under the laws of Illinois, with principal places of business in the Northern District of Illinois. Mr. David's Flooring International, LLC, PCI FlorTech, Inc., and Vortex Commercial Flooring, Inc., were providers of commercial flooring services and products (as defined in Paragraph 6 below) in the United States.

4. Any reference in this Information to any act, deed, or transaction of any corporation means that the corporation engaged in the act, deed, or transaction by or through its officers, directors, agents, employees, or other representatives while they were actively engaged in the management, direction, control, or transaction of its business or affairs.

BACKGROUND

5. During the period covered by this Information, JERRY P. WATSON and COMMERCIAL CARPET CONSULTANTS, INC., and their co-conspirators sold commercial flooring services and products in the United States, including to customers in the Northern District of Illinois.

6. Providers of commercial flooring services and products remove any preexisting flooring products at the job site, prepare the floor surface for installation,

and install new flooring products, including but not limited to carpet, wood, vinyl, tile, and laminate flooring products.

DESCRIPTION OF THE OFFENSE

7. Beginning at least as early as 2009, the exact date being unknown to the United States, and continuing through at least June 22, 2017, in the Northern District of Illinois and elsewhere,

JERRY P. WATSON and
COMMERCIAL CARPET CONSULTANTS, INC.,

defendants, knowingly entered into and engaged in a conspiracy with Mr. David's Flooring International, LLC, Michael P. Gannon, PCI FlorTech, Inc., and Vortex Commercial Flooring, Inc., and other companies and individuals to suppress and eliminate competition by agreeing to rig bids and to fix prices of commercial flooring services and products sold in the United States. The conspiracy engaged in by the defendants and their co-conspirators was a *per se* unlawful, and thus unreasonable, restraint of interstate trade and commerce in violation of Section 1 of the Sherman Act, 15 U.S.C. § 1.

MEANS AND METHODS OF THE CONSPIRACY

8. For the purpose of forming and carrying out the charged conspiracy, JERRY P. WATSON, COMMERCIAL CARPET CONSULTANTS, INC., and their co-conspirators did those things that they combined and conspired to do, including, among other things:

a. attending meetings and participating in conversations and other communications to discuss methods for rigging bids and fixing the prices of commercial flooring services and products sold in the United States;

b. agreeing, during those meetings, conversations, and other communications, to rig bids and to fix the prices of commercial flooring services and products sold in the United States;

c. exchanging pricing-related information to enable co-conspirator companies to submit complementary bids for commercial flooring services and products to potential customers, so that the agreed-upon co-conspirator company would win the business;

d. soliciting complementary bids to provide commercial flooring services and products to potential customers, in accordance with the agreement;

e. submitting complementary bids to provide commercial flooring services and products to potential customers, in accordance with the agreement;

f. selling and accepting payment for commercial flooring services and products in the United States through a collusive and noncompetitive process; and

g. engaging in conversations and other communications for the purpose of monitoring and ensuring submission of complementary bids.

TRADE AND COMMERCE

9. During the period covered by this Information, JERRY P. WATSON, COMMERCIAL CARPET CONSULTANTS, INC., and their co-conspirators sold commercial flooring services and products in the United States in a continuous and

uninterrupted flow of interstate trade and commerce. In addition, records and documents necessary for the sale and provision of such services and products, as well as payments and solicitations for those services and products, traveled in interstate trade and commerce.

10. During the period covered by this Information, the business activities of JERRY P. WATSON, COMMERCIAL CARPET CONSULTANTS, INC., and their co-conspirators in connection with the sale and provision of commercial flooring services and products that are the subject of this Information, were within the flow of, and substantially affected, interstate trade and commerce. Acts in furtherance of this conspiracy were carried out within the Northern District of Illinois and elsewhere. Commercial flooring services and products that were the subject of this conspiracy were sold by one or more of the conspirators to customers in this District and elsewhere.

ALL IN VIOLATION OF TITLE 15, UNITED STATES CODE, SECTION 1.

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