



C R I M I N A L   E N F O R C E M E N T

## ECONOMIC RECOVERY

ANTITRUST DIVISION

### Red Flags of Collusion

You can help prevent collusion in procurement and grant awards — or detect collusion after an award has been made — by using this simple four-part MAPS analysis:

#### **M = MARKET**

##### **Who is in the market for this award?**

Find out how many vendors could compete for the award and which vendors are best positioned to perform the award. The award may be the target of collusion if:

- There are few vendors in the market that offer the good or service.
- A small group of major vendors controls a large share of the market.
- The good or service is standardized, so that the determining factor in the award is price rather than other competitive factors (such as design, quality, or service).

#### **A = APPLICATIONS**

##### **Are there similarities between vendor applications or proposals?**

Closely examine the proposals or applications submitted by the competing vendors and look for similarities. The award may be the target of collusion if:

- Two or more proposals contain similar handwriting, typos, or mathematical errors.
- Two or more proposals are sent from the same mailing address, e-mail address, fax number, or overnight courier account number.
- Two or more proposals reflect that last-minute changes (such as white-outs and cross-outs) were made to alter price quotes.
- The document properties of two or more electronic proposals show that the proposals were created or edited by one vendor.

**P = PATTERNS**

**Have patterns developed among competing vendors?**

Review the outcome of prior awards for the same product or service to identify patterns over time. The award may be the target of collusion if:

- Over a series of awards, competing vendors rotate as the award winner.
- Over a series of awards, routine competing vendors win the same or similar amounts of work.
- Over a series of awards, one vendor always wins, regardless of competition.
- The vendor that wins the award subcontracts work to losing vendors or to vendors that withdrew their proposals or refused to submit proposals.
- As compared with prior awards, a smaller number of vendors submit proposals for the current award.

**S = SUSPICIOUS BEHAVIOR**

**Have vendors demonstrated behavior that suggests that they worked together on the award?**

Keep an eye out for suspicious behavior that indicates that vendors worked together rather than competed for the award. The award may be the target of collusion if:

- A vendor submits a proposal for a procurement or grant award, and you know that the vendor lacks the ability to provide the goods or services requested.
- A vendor brings multiple proposals to an in-person procurement or grant process or submits multiple proposals.
- A vendor makes statements on the phone or by e-mail indicating advance knowledge of a competitor's prices or likelihood of winning the award.

If you notice any combination of these red flags, you should report your concerns to the Antitrust Division.

**E-mail:** [antitrust.complaints.recovery@usdoj.gov](mailto:antitrust.complaints.recovery@usdoj.gov)

**Mail:** Citizen Complaint Center  
Antitrust Division  
950 Pennsylvania Avenue, NW  
Room 3322  
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