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Department of Justice

U.S. Attorney's Office

Eastern District of Texas

FOR IMMEDIATE RELEASE

Monday, April 19, 2021

Former Health Care Staffing Company Executives Charged in Superseding Indictment with Wage Fixing and Obstruction

Note: Click to view superseding indictment.

SHERMAN, Texas – A federal grand jury in Sherman, Texas, returned a superseding indictment charging two Texas men with engaging in wage fixing and obstructing a federal investigation, announced Acting U.S. Attorney Nicholas J. Ganjei today.

Neeraj Jindal, the former owner of a Texas-based therapist staffing company, and John Rodgers, a physical therapist and the clinical director of Jindal's company, are charged with conspiring to fix prices, in violation of the Sherman Act, and with conspiring to obstruct a Federal Trade Commission (FTC) investigation. Both defendants are also charged with obstruction of an FTC investigation.

According to the four-count superseding indictment, in 2017, Jindal, Rodgers, and their co-conspirators agreed to pay lower rates to certain physical therapists and physical therapist assistants in North Texas. Their company, in turn, paid the agreed lower rates for several months after entering into the agreement.

Jindal and Rodgers also conspired to obstruct an FTC investigation and to obstruct proceedings occurring before the FTC. In furtherance of the conspiracy, Jindal and Rodgers made false and misleading statements and withheld and concealed information during the FTC's investigation to determine whether their company or other therapist staffing companies violated the Federal Trade Commission Act.

The superseding indictment follows an indictment returned against Jindal in December 2020 for violating the Sherman Act and obstructing an FTC investigation.

"Wage-fixing agreements are, at their core, an attempt to artificially rig the labor market to depress wages and deprive workers of competitive salaries and benefits," said Acting U.S. Attorney Nicholas J. Ganjei. "The present charges demonstrate that the Department of Justice and its partner agencies will not stand by and allow the exploitation of American workers and the manipulation of the marketplace."

"The charges announced today underscore the Antitrust Division's ongoing commitment to enforcing antitrust laws, particularly when the victims are American workers who deserve the benefits of competitive wages, mobility, and competition among employers for their services," said Acting Assistant Attorney General Richard A. Powers of the Justice Department's Antitrust Division. "This prosecution also demonstrates how seriously we take our obligation to protect the integrity of investigations into anticompetitive conduct, whether those investigations are conducted by the

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Department of Justice or another agency."

A violation of the Sherman Act carries a statutory maximum penalty of 10 years in prison and a \$1 million fine for individuals. The maximum fine may be increased to twice the gain derived from the crime or twice the loss suffered by victims if either amount is greater than \$1 million. The charged conspiracy to commit obstruction and obstruction offenses carry statutory maximum penalties of five years imprisonment and a \$250,000 fine.

The charges in this case were brought in connection with the Antitrust Division's ongoing commitment to prosecute anticompetitive conduct affecting American labor markets. Anyone with information on market allocation or price fixing by employers should contact the Antitrust Division's Citizen Complaint Center at 1-888-647-3258 or visit www.justice.gov/atr/contact/newcase.html.

This case is being investigated by the Federal Bureau of Investigation's International Corruption Unit and prosecuted by the Antitrust Division's Washington Criminal I and II Sections with the assistance of United States Attorney's Office for the Eastern District of Texas.

It is important to note that a complaint, arrest, or indictment should not be considered as evidence of guilt and that all persons charged with a crime are presumed innocent until proven guilty beyond a reasonable doubt.

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Component(s):

Antitrust Division

<u>Federal Bureau of Investigation (FBI)</u> <u>USAO - Texas, Eastern</u>

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