Press Release
The Department of Justice’s Antitrust Division of the Commonwealth of Puerto Rico Wins Three Complaints for Anticompetitive Conduct Against School Bus Contractors

(San Juan, June 2, 2014) – The Antitrust Division of the Department of Justice of the Commonwealth of Puerto Rico announced today its victory on three complaints filed on the Department of Consumer Affairs (DACO) against fourteen (14) school bus contractors. According to its records, this is the first time the state Antitrust Division wins a complaint for anticompetitive behavior in restraint of trade without a settlement.

According to the Assistant Attorney General for the state Antitrust Division, Jesús M. Alvarado-Rivera, “the school bus contractors had agreed to limit the entry of new competitors to the school transportation market, producing a reduction of available buses to render their services. Some agreed not to increase the amount of vehicles on their fleet, to reduce their geographical zones and even to block services to any public school in Puerto Rico, including a ban on bids for the Commonwealth’s Department of Education. It was very clear that the main interest of these businessmen was their profits, not the thousands of students that wait for a school bus every day to receive the education they deserve.”

Alvarado-Rivera explained the importance of the decision issued by DACO, saying that “this ruling makes clear that the state jurisdiction, including the state Antitrust Division, DACO and state Courts, is well prepared to work with cases of antitrust violations under Puerto Rico’s Monopolies and Restrictions of Commerce Act. There should be no doubt that any agreement among competitors regarding price-fixing, limiting supply, market division or boycott, are per se illegal under the competition laws in Puerto Rico.” DACO rejected defendant’s allegations that price-fixing and restraints of supply in the school and tour
transportation markets are not subject to antitrust laws and that these controversies cannot be resolved under the per se rule in Puerto Rico.

In its ruling, DACO ordered defendants to cease and desist from agreeing, fixing, controlling or limiting their transportation services in any geographic sector of Puerto Rico and imposed a total fine of $70,000. The defendants include: Federación de Porteadores Escolares, Inc.; Transporte Rosado, Inc.; Servicios de Transportación Juan Carlos, Inc.; Luisito’s Ómnibus, Inc.; Glenda Bus Line, Inc.; Vázquez Bus Line, Inc.; Néstor González González; José M. Rosado Rolón; Juan Carlos Fuentes; Carlos A. Pérez Justiniano; Evelyn Ramírez Lugo; Luz D. Colón Cintrón; José R. Padilla Padilla; and Félix R. Vázquez Serrano. The state Antitrust Division is investigating other practices that restrained the school transportation market.

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