

5 major builders fined for colluding to fix bidding prices

SEJONG, Oct. 30 (Yonhap) -- South Korea's antitrust watchdog said Thursday that it has fined five major builders a combined 25.1 billion won (US\$23.8 million) for colluding in the bidding process for a construction project at a port in the southeastern part of the country.

The five -- Hyundai Engineering and Construction Co., POSCO Engineering and Construction Co., Daelim Industrial Co., SK Engineering & Construction Co. and Hyundai Development Co. -- were accused of secretly having meetings and telephone conversations to fix bidding prices for the project to build facilities around the Youngilman port in Pohang.

The bidding was held in February 2009 and SK E&C was chosen to lead the project later in that year.

Through the collusion aimed at keeping bidding prices from falling too much, they agreed to bid for the project at more than 93 percent of the estimated construction costs of 206.5 billion won.

Hyundai E&C and POSCO E&C were fined 6.29 billion won each, while Daelim Industrial was ordered to pay 5.51 billion won in penalties. SK E&C and Hyundai Development were fined 4.19 billion won and 2.79 billion won, respectively.

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