



NATIONAL SCIENCE FOUNDATION
OFFICE OF INSPECTOR GENERAL
OFFICE OF INVESTIGATIONS

CLOSEOUT MEMORANDUM

Case Number: A 01 09 0030

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COMPLAINT:

On 28SEP01(FRI) the Office of Inspector General ((OIG)) received correspondence, dated 06SEP01(THR), from [REDACTED], which forwarded a letter from [REDACTED] asking for assistance in responding to [REDACTED] allegations.

[REDACTED] alleged that the National Science Foundation ((NSF)) funded [REDACTED] at the [REDACTED], is engaged in predatory pricing practices and such practices have caused [REDACTED] to loose customers and foreign bids. [REDACTED] requested [REDACTED] assistance in forwarding his letter, dated 24AUG01(FRI), to the NSF OIG and to support his request that the NSF Inspector General initiate an investigation into his allegations since NSF has been unresponsive to his previous complaints.

INVESTIGATIVE FINDINGS:

a) Competitive Activities:

No evidence was uncovered during this investigation to support [REDACTED] complaint that any NSF-sponsored [REDACTED] are engaged in any domestic or foreign-based "radiocarbon date testing" activities in competition with the radiocarbon dating services that [REDACTED] engages in.

b) Predatory Pricing Activities:

Of those commercial services engaged in by NSF-sponsored [REDACTED], no evidence was uncovered, during this investigation to support [REDACTED] complaint that any NSF-sponsored [REDACTED] are participating in any pricing activities in conflict with the provisions of OMB Circular A-110.

[REDACTED] does not own Accelerator Mass Spectrometer equipment and is not a radiocarbon "testing" facility. [REDACTED] serves as a "retail" broker who facilitates sample preparation and transshipment "to" radiocarbon dating facilities that have Accelerator Mass Spectrometer equipment. As such, [REDACTED] charges its customers the radiocarbon dating facility fees for the test itself (the wholesale cost), and then adds [REDACTED] sample preparation and shipment fees, as well as any profit margin (the retail cost) to arrive at a total price charged to its customers. Many customers, especially those who prepare their own samples, do not require the sample preparation and shipment services offered by [REDACTED]. In these cases they deal directly with the radiocarbon dating facilities saving the "middleman" retail fees that [REDACTED] charges because they do not require [REDACTED] services. This being the case, when [REDACTED] demands that the NSF-supported radiocarbon dating facilities be required to charge the "industry price" (the wholesale price) and then cites [REDACTED] prices (the retail price) as the industry price standard for "radiocarbon dating testing," [REDACTED] is citing the prices they charge for their "brokerage" (retail services) added to the "industry prices" for radiocarbon testing (the wholesale services). These are two distinct and separate services (radiocarbon date testing services vs. radiocarbon date sample preparation & shipment services) with two different industry price structures.

c) NSF's Responsiveness To [REDACTED] Complaints:

With regards to [REDACTED] complaint that NSF has been unresponsive to his previous allegations, this investigation disclosed a history of ten (10) pervious complaints dating back to 1993. In each instance, NSF investigated and responded to [REDACTED] complaints citing the above facts in response to [REDACTED] allegations.

With no further investigative leads remaining it is recommended that this case be closed.

	Agent	Attorney	Supervisor	AIGI
Sign / date				