



# Department of Justice

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## **INDIANA READY MIXED CONCRETE PRODUCER INDICTED ON PRICE-FIXING CHARGE**

WASHINGTON, D.C. – A federal grand jury in Indianapolis yesterday indicted a North Vernon, Indiana producer and distributor of ready mixed concrete for fixing the price of ready mixed concrete sold in certain counties in Indiana, the Department of Justice announced.

According to the indictment filed in the U.S. District Court in Indianapolis, Lee's Ready Mix & Trucking Inc. was charged with participating in a conspiracy to fix the price at which ready mixed concrete was sold in the Indiana counties of Bartholomew, Jackson, and Jennings, beginning in or about February 2003 and continuing until approximately June 2004.

As stated in the indictment, Lee's Ready Mix and its co-conspirators agreed to specific price increases for ready mixed concrete as well as to the specific timing of those price increases. During the period covered by the conspiracy, Lee's Ready Mix sold at least \$7 million worth of ready mixed concrete that was affected by the conspiracy to its customers using the agreed-upon prices.

Lee's Ready Mix is charged with carrying out the conspiracy with its co-conspirators by:

- Engaging in discussions regarding the prices at which each would sell ready mixed concrete;
- Agreeing during discussions to specific price increases for ready mixed concrete and to the timing of price increases;
- Issuing price announcements and/or price quotations in accordance with the agreements reached;

- Selling ready mixed concrete according to those agreements at collusive and noncompetitive prices; and;
- Accepting payment for ready mixed concrete sold at the agreed-upon collusive and noncompetitive prices.

Ready mixed concrete is a product whose ingredients include cement, aggregate (sand and gravel), water, and, at times, other additives. Ready mixed concrete, which is made on demand and, if necessary, shipped to work sites by concrete mixer trucks, is purchased by do-it-yourself customers, commercial customers, as well as local, state, and federal governments for use in various construction projects, including sidewalks, driveways, bridges, tunnels, and roads.

“Today’s indictment demonstrates the Antitrust Division’s resolve to aggressively prosecute price-fixers,” said Scott D. Hammond, the Antitrust Division’s Deputy Assistant Attorney General for Criminal Enforcement.

Lee’s Ready Mix is charged with price-fixing in violation of Section 1 of the Sherman Act (15 U.S.C. § 1), which, at the time of the offense, carried a maximum fine of \$10 million for a corporation for violations occurring before June 22, 2004. The maximum fine may be increased to twice the gain derived from the crime or twice the loss suffered by the victims of the crime if either of those amounts is greater than the statutory maximum fine. In addition, the defendant could be ordered to pay restitution for the full amount of the victim's loss.

This case is the second to arise out of the investigation of the ready mixed concrete industry. On May 13, 2005, Larry Lee, the former president of Lee’s Ready Mix, agreed to plead guilty, to serve eight months in prison, and to pay a \$70,000 criminal fine for his role in a conspiracy to fix the price of ready mixed concrete sold in certain counties in Indiana.

Today's charge resulted from the Antitrust Division's ongoing investigation of the ready mixed concrete industry being conducted by its Chicago Field Office in conjunction with the Indianapolis office of the Federal Bureau of Investigation (FBI).

Anyone with information concerning price fixing or other anticompetitive conduct in the ready mixed concrete industry should contact the Chicago Field Office of the Antitrust Division at 312-353-7530 or the Indianapolis office of the FBI at 317-639-3301. All press inquiries should be directed to the Office of Public Affairs Office at the Department of Justice, at 202-514-2007.

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