



Department of Justice

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WISCONSIN EXECUTIVE CHARGED WITH PRICE FIXING ON METAL BUILDING INSULATION SOLD IN TEXAS

WASHINGTON, D.C. – The executive of a Green Bay, Wisconsin insulation supply company was indicted today by a Houston federal grand jury for price fixing and conspiring to commit wire fraud involving the sale of metal building insulation sold in Texas and surrounding states, said the Department of Justice.

This is the fifth case brought as a result of the Department's ongoing nationwide antitrust investigation into suspected price fixing in the metal building insulation industry.

Today's indictment was filed in U.S. District Court in Houston against Mark Albert Maloof of Birmingham, Alabama. Maloof is a regional sales manager of Bay Industries Inc., which does business as Bay Insulation Supply Co. in Green Bay, Wisconsin.

Maloof is charged with conspiring with others, between January 1994 and June 1995, to raise, fix, and maintain prices for the sale of metal building insulation he and co-conspirators sold from their facilities in Texas, in violation of the Sherman Act.

The indictment also charged Maloof with conspiring to commit wire fraud. Court papers charged that while Maloof was in Birmingham, Alabama, he had telephone conversations with co-conspirators in Atlanta; Stone Mountain, Georgia; Kansas City, Missouri; and Houston for the purpose of carrying out the price fixing conspiracy. Maloof, while in Birmingham and Atlanta, is also charged with carrying out the price fixing conspiracy by using a fax machine to communicate with co-conspirators in Dallas and Atlanta.

In September 1996, a Houston-based insulation company, Hiplax International Corp., which does business as Brite Insulation, and two of its executives--Jerrold Warren Killingsworth and Yun Lung Yueh, also known as Peter Yueh--were charged with price fixing in the sale of metal building insulation.

In June 1996, the Department also charged Huber Wally Rhodes Jr., an executive with Atlanta-based Mizell Bros. Co., with price fixing in the metal building insulation industry.

Sentencing for these earlier cases is scheduled for July 15, 1997.

Joel I. Klein, Acting Assistant Attorney General in charge of the Department's Antitrust Division, said the charges resulted from a nationwide investigation into suspected price fixing in

the metal building insulation industry. The investigation is being conducted by the Antitrust Division's Dallas Field Office with the assistance of the Federal Bureau of Investigation, Houston Office.

The maximum penalty for an individual convicted under the Sherman Act is three years in prison and a fine of \$350,000, twice the pecuniary gain the individual derived from the crime, or twice the pecuniary loss caused to the victims of the crime, whichever is greater.

The maximum penalty for an individual convicted under the wire fraud statute is five years in prison, a fine of \$250,000, or both.

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