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## FEDERAL BUREAU OF INVESTIGATION

Date of transcription 08/07/2006

Jason Mann, white male, was interviewed at the United States Attorney's Office, Southern District of Indiana, 10 West Market Street, Indianapolis, Indiana. Also present during the interview were Department of Justice (DOJ), Antitrust Division, Trial Attorney Frank Vondrak and Mann's attorney, Jennifer L. Lukemeyer. After being advised of the identities of the interviewing personnel, Mann and his attorney were provided with an immunity letter issued by the DOJ Antitrust Division. After reviewing the letter, Mann and his attorney signed the document. Mann then furnished the following information:

Before starting the interview, Mann wanted to know whether his father, Dennis Mann, was helping the government with its investigation of the ready-mix industry in Indianapolis, Indiana. Mann had found a business card for Fred Parmenter, DOJ Attorney, and had speculated that his father was helping investigators. Mann wants to clear his father's name since it was alleged that his father drove Chris Albrecht to meetings with other ready-mix competitors. Albrecht, a plaintiff in the class action suit filed against Indianapolis area ready-mix suppliers, has alleged that Dennis Mann drove him to meetings in which other ready-mix competitors were present.

Mann has had prior problems with Albrecht which originated as a result of his father's business dealings with Albrecht and their company, E-Cast. Mann's father died in a plane crash on March 17, 2002, and after his death, several creditors sought injunctions against his father's estate. The banks required Mann to satisfy the debt since Albrecht did not have the necessary funds. Mann accused Albrecht of hiding assets and starting a ready-mix company in Florida at the time creditors were seeking collection on the outstanding debt. As a result, Mann has been attempting to collect money from Albrecht.

Albrecht threatened Mann, saying he had "something up his sleeve," if Mann continued trying to collect money from him. Despite the threat, Mann continued with his efforts to collect money from Albrecht, and as a result, Albrecht stated in an affidavit that Dennis Mann drove Albrecht to meetings with other ready-mix competitors.

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American Concrete (AC) was named as a co-defendant in the above class action lawsuit because Mann's father was the President and Owner of AC at the time Albrecht alleged he was driven to meetings with competitors. Mann does not believe the allegations made against his father are true.

In July 1991, Dennis Mann purchased 51 percent of AC from Denning family. Dennis Mann had become acquainted with the Denning family while boating in 1989 and 1990. At the time, the Denning family was having financial difficulties and agreed to sell a portion of the company to Mann's father. Mann had heard his father purchased the company for approximately \$3.5 million. At the time, AC had two old ready-mix plants and about 11 or 12 ready-mix trucks. The entire Mann family worked to make the company viable. Mann's father was determined to make the company successful. Mann's parents eventually divorced and his mother moved back to Connecticut.

Dennis Mann had no prior experience running a ready-mix company, so he bought books to learn about the industry. Even though his father was the President/Owner, Dennis Mann did everything, including sales. Brian Denny, Larry Deeton, and Randy Carson were also involved in sales. When he was old enough, Mann went to work for his father. Instead of going to college, Mann drove trucks for his father. After his father's death, Mann became the President of AC.

Mann recalled his father telling him about an incident involving John Huggins. While attending a Ready Mix Concrete Association (RMCA) function, Dennis Mann ran into Huggins while in the restroom. Huggins asked Dennis Mann if he was the person who had bought American Concrete. After stating yes, Huggins told him that it was the stupidest thing he (Dennis Mann) had ever done and that they would not last five years. On the six year, Mann's father threw a party.

In December 2001, Mann and his father attended an RMCA training event at the Marriott Hotel. Everyone from the ready-mix industry was present.

On March 17, 2002, Mann's father was killed in a plane crash near Anderson Aviation. Prior to that date, Mann was not aware of any price fixing discussions between suppliers, although in 1995 or 1996, an IMI price sheet was faxed to the offices of AC.

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Mann's father had later said that IMI was wanting to buy their company.

Mann believes his father at one time told Butch Nuckols that he would come to his house and beat the hell out of him. Mann did not know what prompted the dispute between Nuckols and his father, although Mann later heard that Nuckols supposedly put a buzzer on his office door. Dennis Mann's only real friend in the industry was Gary Matney.

While working for his father, Mann did not pay much attention to the management side of the company, and his father never really involved him with that side of the company. Over time, AC became more competitive. When they took control of the company, AC sold about 15,000 cubic yards of concrete each year and shortly before his father's death, AC was selling approximately 94,000 cubic yards each year. After his father's death, Mann increased company sales with their best year approaching approximately 119,000 cubic yards.

After his father's death, Mann's mother wanted to sell the company. Two weeks before his death, Mann's father told him that he wanted to see his grandchildren born into concrete. Respecting his father's wishes, Mann refused to sell the company. His father's estate was in bad shape. AC had about 17 employees at the time, and the company wasn't paying the best wages for the industry. Mann felt unprepared to run the company. Customers believed in his father, and Mann felt he had to prove himself to his employees and customers.

After assuming control of the company, Mann raised everyone's wages between \$1 and \$2 per hour. Mann began calling on customers to increase company sales, and with time, AC picked up more business. Mann estimated that approximately 90% of their business was residential. AC never got the exposure for the big projects. Within a 18 months, AC employed approximately 70 people.

After awhile, Mann began having financial and family difficulties. The company had an old computer system which needed updating. There were rumors within the industry that AC could not get cement and customers were scared AC could not deliver ready-mix as promised. Martin Marietta (MM) seemed to control everything within the aggregate industry. Mann heard his father was paying \$12 per ton while he was paying approximately \$27 per ton. As supply cost rose, Mann found it harder to make ends meet. Mann

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reported having difficulty firing people and felt incompetent as a boss.

Mann said that his father started attending credit alliance meetings approximately one to two months before his death. There was an attorney, Bob Huffman, who oversaw the credit meetings between suppliers. The meetings were suppose to help suppliers identify contractors who were not paying their bills.

In early June 2002, Nuckols called Mann and invited him to a credit meeting. Nuckols said they were trying to get this thing going and recommended Mann come to the meeting. The meeting took place at the Sunrise Cafe located off Meridian. Huffman, Scott Hughey, Mike Schumaker of IMI, Tim Keebler and Butch Nuckols of Builders Concrete were all present for the meeting. Mann recalls someone mentioning that EssRock Cement had similar credit meetings. Mann also recalled Huffman saying that they were going to have problems if they keep having their behind the barn dealings. Mann said he had received a \$2,500 bill from Huffman. Mann had brought John Ray, an ex-colts football player, to the meeting. The other owners were not happy with Mann bringing Ray to the meeting. Mann felt like it was there boys club.

In July 2002, Mann's brother was arrested on drug charges, and Nuckols began telling people that his brother was a drug user. In August 2002, Nuckols called Mann and invited him to a meeting at his house. Nuckols said the meeting was to discuss credit matters. Mann had some "choice" words for Nuckols with respect to Nuckols' comments about his brother. Mann has heard that Nuckols hosted meetings among the suppliers at his barn, although Mann denied attending any of the barn meetings. Mann also heard that BC and IMI were meeting regularly on the eastside of Indianapolis. Mann believed the meetings took place at the Outback Restaurant. Mann had no direct knowledge of BC and IMI exchanging price lists at those meetings.

Mann does recall receiving an AC proposal via fax machine. The proposal was for a school project AC was pursuing. Written on the proposal was something to the effect, "Buddy's carpet is having a similar sale," and the fiber additive was crossed out. Mann was a little alarmed when he had received the quote. Mann stated that the faxed quote had come from IMI, although he never talked to IMI about the fax.



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Mann reported meeting Chris Beaver in 2002 while attending a customer appreciation golf outing sponsored by Custom Concrete. Allen Beaver and Cris Beaver had approached Mann and offered their condolences regarding his father.

Chris Beaver later called Mann upon learning AC was looking to replace their old dispatch system. Chris Beaver told Mann that Beaver Materials (BM) was also looking at replacing their dispatch system. Chris Beaver suggested they (AC & BM) could get a discount if they purchased the same system. Mann was unsure but believed Chris Beaver had contacted him in late 2003 or early 2004. Mann said AC's new dispatch system was installed sometime in 2004. Chris Beaver also invited Mann and AC's Controller to see BM's new dispatch system. Over the course of about six to nine months, Mann said he had additional meetings and conversations with Chris Beaver.

Mann met Chris Beaver at Kelly's Pub, located off Southport Road and Harding Street, sometime during the 2003-2004 winter season. Chris Beaver had called and invited Mann to lunch. Mann does not recall Chris Beaver telling him why he wanted to meet. Kelly's Pub is close to AC's office.

During lunch, Mann and Chris Beaver talked about the dispatch software. Chris Beaver also talked about a job BM's wanted really bad. He had said AC was really cheap on the job and that they (AC) had left a lot of money on the table. Mann was shocked and curious how he knew AC's prices. Chris Beaver said something to the effect that, "we think you're kinda of cheap and you must have low balled the job." Mann was unsure if Chris Beaver was referring to his family or the other competitors. Mann added that if Chris Beaver attended the horse barn meetings, then Mann felt confident Chris Beaver was speaking on behalf of the competitors.

A couple of months later, around March or April 2004, Chris Beaver called and invited Mann to lunch. They met at the Marsh store located off 96th Street and Lantern Road, which is on the northeast side of Indianapolis. Chris said they would meet around noon and that Allen Beaver would also be present.

Mann went to the Marsh and met with Allen and Chris Beaver. During lunch, the Beavers asked whether AC would sell ready-mix to BM in Lafayette, Indiana. BM wanted to purchase ready-mix from AC and have BM delivered it to CP Morgan. BM

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wanted to keep CP Morgan's business because they were a large customer. BM had gotten IMI to provide them with ready-mix for the project, although IMI's service was poor. The Beavers wanted Mann to provide them a quote so they could buy ready-mix from them. Mann told the Beavers that he preferred dealing directly with CP Morgan.

Mann called Sam Killian, Purchasing Agent for CP Morgan and offered to sell them ready-mix. Killian said no and that they preferred dealing with BM's dispatch. According to Mann, it did not make sense to him for AC to sell ready-mix to BM so that they could deliver it to CP Morgan. Mann still quoted CP Morgan a price for ready-mix. Mann also believes he told the Beavers that it was not wise for them to meet like this anymore.

Mann recalled Rick Beaver providing John Ray, an AC employee at the time, with a copy of BM's price list. Mann believes Rick Beaver gave the price list to Ray on about March 1, 2004. Ray had asked what he should do with the price list with Rick Beaver telling him to give it to Mann. Rick Beaver and Ray had lived in the same neighborhood. Rick Beaver had given the price list to Ray in the morning before Ray came to work. Mann was not aware of any other meetings between Ray and Rick Beaver. Mann recommended that the investigator talk with Ray about any other meetings Ray may have had with competitors. Mann added that BM and AC were competitors at the time Rick Beaver provided Ray with BM's price list. In October 2005, BM's hired Ray to work for them.

Mann said he found out about the FBI's investigation into the ready-mix industry when the investigating Agent appeared at his home on a Sunday afternoon. During the interview, he talked about Albrecht and during the last 15 to 20 minutes they talked about the ready-mix industry. Mann does not recall stating that he knew there was price fixing going on among competitors, although he was aware of attempts by competitors to get prices up.

After becoming aware of the FBI's investigation, Mann consulted Shebly Howard, a local businessman who sells trucks. Mann had met Howard while working at Goodyear, and after his father's death, Mann became good friends with Howard. Howard was also Mann's best man at his wedding. Mann was afraid of wearing a "wire" for the FBI, so he consulted Howard on what to do. Howard told Mann that he needed legal representation. Mann believes he told Howard about the investigation approximately seven to ten days after Mann's March interview with the FBI.

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Mann believes he may have informed Allen and Chris Beaver of the existence of the FBI's investigation during their lunch at the Marsh store located off 96th street. The news did not seem to bother them. They said there was nothing illegal and not to worry about it. The Beavers also said they had a cousin working for the FBI in Chicago and this is what happens to companies. Mann does not recall telling anyone else about the investigation, with maybe the exception of his mother and an AC salesman. Mann was unsure when he told the salesman about the investigation. Mann does not recall exactly what he told the salesman. Mann does not recall telling IMI, BC, CC, SM, PMS, or Matney about the FBI's investigation. Mann had not recalled additional conversations with the Beavers after the search warrants were executed until today.

Sometime during the Summer of 2005, Ray spoke with Rick Beaver about what had happened on the day of the search warrants. Rick Beaver had asked Ray what happened at AC on the day of the search warrants, although Mann does not believe they discussed the charges. Mann added that Ray and Rick Beaver could have had other conversations, although he does not recall any at this time.

From the day the search warrants were executed until today, Mann denied having conversations with representatives from CC, BC, SM, and IMI. Mann was not aware of Ray talking with IMI. Mann has spoken with Matney. He believes he spoke to Matney approximately one month after selling his company. They had talked about the civil suit and hoped that it would dry up. Matney also said Albrecht was not a very credible person. Matney told Mann to keep his chin up. A lot of people thought Matney was the cause of the problems. Matney also gave Mann some advice about a minority owned business Mann's wife was pursuing. Mann denied Matney giving him any advice about cooperating with authorities.

The interview was stopped at approximately 4:08 pm and resumed at approximately 4:13 pm.

During the Winter of 2003 - 2004, AC instituted a winter surcharge. The surcharge was Mann's idea. Mann talked about the surcharge with his staff. A customer, Dan Groody, had said IMI was implementing a winter surcharge. IMI had also mailed a notice to customers announcing the surcharge, although IMI was not applying the winter charge to their larger customers.

Mann believes he first heard about the winter surcharge from his sales guys, Duane Hardwick and Ryan Enlow. This would

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have been during the Fall of 2003, which Mann considers to be September to October. Mann did not believe it was in November because suppliers would have already been heating water. Hardwick had said he heard about the surcharge from George Gaskins.

Mann was unsure whether AC had received IMI's announcement in the mail, although he was surprised to receive the announcement. Mann told his "everyday" customers that he was not going to apply the surcharge to them, although they could expect it next year. Mann does not recall there being any pricing information listed in IMI's surcharge announcement. Mann was not aware of his father ever applying a winter surcharge.

With respect to other competitor mailings, Mann believes Shelby Materials (SM) had sent a mass mailing to customers in which his father received. SM's mailing would have been in 2001 and pertained to a price increase. Mann does not recall receiving any other mailings from competitors other than those mentioned above. Mann specifically denied receiving mailings from BC, CC, and PMS.

After receiving IMI's surcharge announcement, Mann could have talked about it with Chris Beaver. Mann also said the topic of the winter surcharge could have come up during one of their meetings. Mann did not believe the subject of the winter surcharge was discussed at the Kelly Pub meeting.

Mann had initially stated that he did not recall any additional meetings with Chris Beaver, although he remembered meeting Chris Beaver at the Sahn's Restaurant located off 116th Street and Allisonville Road. Mann believed the meeting took place in early or mid November 2003. During the meeting, Chris Beaver asked whether AC was putting out a winter surcharge. Mann also recalls Chris Beaver asking whether AC was applying the winter surcharge to the cost per cubic yard. Mann told Chris Beaver that they (AC) were not applying the charge to their everyday customers. He and Chris Beaver talked further about the winter surcharge. Mann does not recall there being any discussion about raising ready-mix prices. Mann also recalled some discussion involving Custom Concrete and not being competitive.

Chris Beaver told Mann that BM was implementing a \$3.00 winter surcharge. The winter surcharge was going to be applied from November through March, and Chris Beaver said everybody was implementing the winter charge. Mann was unclear whether Chris Beaver actually talked with competitors about the surcharge. Mann



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does not recall asking Chris Beaver about how he knew competitors were implementing the surcharge. Mann does not recall Chris Beaver mentioning anything about a horse barn meeting.

Chris Beaver also said ready-mix prices were increasing by as much as \$4 or \$5 depending on the actual increase from cement suppliers. Nobody knew how much cement suppliers were increasing costs to their customers, although Mann thought it was unusual for there to be discussion about a price increase in the fall.

Mann believes Chris Beaver was providing the above information to see whether Mann was willing to go along with the program. Mann also felt Chris Beaver was serving as the messenger. Mann noted that his relationship with Nuckols, at the time, was ruined. Mann believed the meeting took place after IMI's winter surcharge announcement. Mann also believed AC had already implemented the winter surcharge before meeting with Chris Beaver about the winter surcharge. Mann even told Chris Beaver that he already sent out AC's winter surcharge announcement. Mann does not recall re-sending any winter surcharge announcements after meeting with Chris Beaver. Mann believes Chris Beaver paid for lunch with his credit card.

Mann only recalls issuing one price increase while being in charge of the company's operations. Mann believes the price increase was in March or April 2004. This was also around the same time Ray received BM's price list from Rick Beaver. Mann believes the price list from Rick Beaver was a way to insinuate BM was increasing prices. Mann speculated that AC's price increase was seven to ten days after Ray had received BM's price list.

Mann does not believe the price increase was included in his winter surcharge announcement to customers. Angie Johnson would have typed any price changes for AC. Mann would have told her what information to put in the letter. Johnson is currently working for Spurlino. Johnson's computer was connected to AC's server.

Mann recalled meeting with Chris Beaver on three of four occasions, mainly to discuss the dispatch software.

Mann said he had always suspected ready-mix competitors were meeting. Enlow had told Mann that BC and IMI were meeting every Tuesday at the Outback restaurant located near 21st Street and Post Road. During the Summer of 2002, Enlow was working for

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Lehigh cement. Enlow only mentioned BC and IMI as meeting at the Outback restaurant.

Mann also reported having lunch with Price Irving during the second week of November of 2003. In a short period of time, around November 2003, Mann reported having several meetings with competitors. Mann estimated that the meetings all occurred about a week before his daughter was born, which was on November 6, 2003. Also around this time, Hughey had called Mann on five or six occasions wanting to meet. Mann eventually agreed to met Hughey at a Denny's restaurant located at U.S. 31 and I-465. The purpose for the meeting was to discuss KRV Concrete, which was operated by Keith Vanderhoven (phonetic).

Keith had called Mann to get ready-mix delivered in the mornings. Keith had said he was paying \$75 per yard, so Mann agreed to sell it to him for four dollars less. During the meeting, Hughey said he wanted his customer back. Hughey also asked whether AC was implementing the \$3 winter surcharge, which Mann responded yes. Hughey also wanted to know whether Mann was charging KRV the winter surcharge. Mann recalls Hughey lowering the price to KRV after their meeting.

Mann also recalled meeting Chris Beaver after the birth of his daughter. Mann believes that the first time he heard about the winter surcharge was around the middle of October 2003. Mann believes the below listed events occurred in following chronological order:

1. IMI's winter surcharge announcement.
2. Mann's discussion with staff about winter surcharge.
3. The Denny's meeting with Hughey.
4. The Sahm's meeting with Chris Beaver.