



# Department of Justice

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## **PRESIDENT OF IOWA READY-MIX CONCRETE COMPANY PLEADS GUILTY TO PRICE FIXING**

WASHINGTON — The president of an Iowa ready-mix concrete company pleaded guilty yesterday to participating in a conspiracy to fix prices for sales of ready-mix concrete, the Department of Justice announced today.

According to a one-count felony charge filed on Nov. 30, 2010, in U.S. District Court in Sioux City, Iowa, Chad Van Zee, the president of a ready-mix concrete company located in Rock Valley, Iowa, participated in a conspiracy to fix prices for sales of ready-mix concrete in the Northern District of Iowa beginning as early as January 2006 and continuing until as late as August 2009.

According to the charge, Van Zee participated in a conspiracy in which he and Steven Keith VandeBrake, a former executive of another ready-mix concrete company, discussed and reached agreements regarding annual price increases for ready-mix concrete, sold ready-mix concrete at collusive and noncompetitive prices, and accepted payment for those sales. Under the plea agreement filed today, Van Zee has agreed to cooperate with the department's ongoing antitrust investigation. In May 2010, VandeBrake pleaded guilty and agreed to serve 19 months in prison for participating in three separate conspiracies to fix prices and rig bids for sales of ready-mix concrete.

Ready-mix concrete is a product whose ingredients include cement, aggregate (sand and gravel), water and other additives. The concrete generally is produced in a concrete plant and is transported by concrete-mixer trucks to work sites, where it is used in various types of construction projects, including buildings and roads.

Van Zee is charged with violating the Sherman Act, which carries a maximum penalty for individuals of 10 years in prison and a \$1 million fine. 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.

Van Zee is the third individual to plead guilty in an ongoing federal antitrust investigation of the ready-mix concrete industry in Iowa and its surrounding states. The investigation is being conducted by the Department of Justice Antitrust Division's Chicago Field Office, the FBI's

Sioux City Resident Agency and the U.S. Department of Transportation's Office of Inspector General, with the assistance of the U.S. Attorney's Office in Sioux City, Iowa.

Anyone with information concerning bid rigging, price fixing or territorial allocation related to the ready-mix concrete industry in Iowa and its surrounding states should contact the Antitrust Division's Chicago Field Office at 312-353-7530 or visit [www.justice.gov/atr/contact/newcase.htm](http://www.justice.gov/atr/contact/newcase.htm).

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