



Department of Justice

FOR IMMEDIATE RELEASE
TUESDAY, APRIL 11, 1972

The Department of Justice filed a civil antitrust suit today challenging the combination of two major ready-mixed concrete producers in Denver, Colorado.

Acting Attorney General Richard G. Kleindienst said the suit, which named Pre-Mix Concrete, Inc. and its parent corporation, M.P.M., Inc., as defendants, was filed in the United States District Court in Denver.

The complaint charged that the acquisition of the assets of Pre-Mix by M.P.M. on June 12, 1970, and Pre-Mix's subsequent acquisition of the stock of Mobile Concrete, Inc. on November 12, 1971, violated Section 7 of the Clayton Act by eliminating actual and potential competition between Pre-Mix and Mobile in the production and sale of ready-mixed concrete in the Denver Metropolitan area.

At the time it acquired the Pre-Mix assets, M.P.M. was owned by the same individuals who owned Mobile.

Prior to that time, Pre-Mix was the third leading, and Mobile the fourth leading seller of ready-mixed concrete in the Denver Metropolitan area.

Their combined sales in 1969 accounted for over 30 percent of the ready-mixed concrete sales in this area.

The complaint also charged that, as a result of the combination, competition has been generally lessened and concentration has been increased in the production and sale of ready-mixed concrete in the Denver Metropolitan area.

Acting Assistant Attorney General Walker B. Comegys, head of the Antitrust Division, said that the suit asked that the acquisition of assets and exchange of stock be declared unlawful and that M. P. M. and Pre-Mix be ordered to divest themselves of all assets and control of Mobile.

Ready-mixed concrete is a mixture of cement and other materials such as sand, stone, water, and at times, additives. The mixture is widely used in the construction and improvement of various types of structures.

Sales of ready-mixed concrete in the Denver area in 1969 were about \$18.7 million.