



Department of Justice

FOR IMMEDIATE RELEASE
MONDAY, JULY 21, 1980

AT
202-633-2014

The Department of Justice today filed a civil antitrust suit challenging the 1979 acquisition of Glen-Gery Corporation of Reading, Pennsylvania, by Ibstock Johnsen Limited, of Ibstock, Leicestershire, England.

Both Glen-Gery and Ibstock Johnsen, through its ownership of the Marion Brick Corp., of Marion, Ohio are major U.S. manufacturers of facing brick, which is used primarily for wall exteriors and partitions in building construction.

Attorney General Benjamin R. Civiletti said the suit was filed in U.S. District Court in Philadelphia.

The complaint claims that the transaction violates Section 7 of the Clayton Act, which prohibits anti-competitive mergers, and asks that Ibstock Johnsen divest itself of its interests in Glen-Gery.

Sanford M. Litvack, Assistant Attorney General in charge of the Antitrust Division, said that Ibstock Johnsen, through its control of Glen-Gery and Marion Brick, is the largest manufacturer of facing brick in an area of 13 Northeast states and the District of Columbia, with about 20 percent of that market.

The 13 states are Connecticut, Delaware, Maine, Maryland, Massachusetts, New Hampshire, New Jersey, New York, Ohio, Pennsylvania, Rhode Island, Vermont and Virginia.

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In addition, Ibstock Johnsen is among the three largest producers of facing brick in the United States.

According to the complaint, in 1978 in the northeast market Marion Brick, which had brick sales of \$8.6 million, was the fourth largest producer in the market with about 6 percent of the market. Glen-Gery with sales of \$20.5 million, was the largest producer with about 14 percent of the market. Sales by Marion Brick and Glen-Gery of brick in 1978 in the entire United States were about \$18 million and \$25 million, respectively.

The complaint alleges that the acquisition has eliminated competition between Marion Brick and Glen-Gery in the manufacture and sale of facing brick and will increase concentration in the manufacture and sale of facing brick in the Northeast United States.

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