



Department of Justice

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US COMPANY TO PLEAD GUILTY AND PAY FINE FOR ITS ROLE IN AN INTERNATIONAL PRICE-FIXING CONSPIRACY

Anchor Industrial Products Inc. Agrees to Pay \$600,000 Criminal Fine

WASHINGTON, D.C. -- An Ohio company has agreed to plead guilty and pay a fine of \$600,000 for its role in an international conspiracy to fix the price of a carbon product known for its strength and resistance to heat and chemical reaction. The Department of Justice said today's case against Anchor Industrial Products Inc. is the first case in which a company has been charged with participating in a price fixing conspiracy involving carbon cathode block.

Anchor, formerly Hepworth Refractories Inc. of Franklin, Ohio, was charged today in U.S. District Court in Philadelphia with conspiring with unnamed co-conspirators to suppress and eliminate competition in the carbon cathode block industry from as early as February 1996 until at least December 1997.

Because of its superior conductivity properties, carbon cathode block is commonly used in aluminum smelters or pots in the production of primary aluminum sold in the United States and elsewhere.

"This is another example of the Antitrust Division's resolve to ferret out violators of the U.S. antitrust laws that harm American businesses and consumers," said John M. Nannes, Acting Assistant Attorney General in charge of the Antitrust Division.

Anchor was charged with carrying out the price-fixing conspiracy by:

- participating in meetings and conversations in Asia and Europe to discuss the prices of carbon cathode block sold in the U.S. and elsewhere;
- agreeing, during those meetings and conversations, to charge prices at certain levels and otherwise to increase and maintain prices of carbon cathode block sold in the U.S. and elsewhere; and
- exchanging sales and customer information for the purpose of monitoring and enforcing adherence to the terms of the agreements reached.

Anchor is charged with violating Section One of the Sherman Act, which carries a maximum fine of \$10 million for corporations. 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.

Today's charge is the result of an ongoing investigation being conducted by the Antitrust Division's Philadelphia Field Office and the Federal Bureau of Investigation in Philadelphia.

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