

IN THE UNITED STATES DISTRICT COURT  
FOR THE NORTHERN DISTRICT OF OHIO  
WESTERN DIVISION

UNITED STATES OF AMERICA	)	<u>INFORMATION</u>
	)	
v.	)	<b>Criminal No.: 3:97CR711</b>
	)	
CERCO, INC., d/b/a	)	<b>Filed: [2/4/97]</b>
NORTHERN REFRACTORY AND	)	
INSULATION CO.,	)	
	)	
Defendant.	)	<b>15 U.S.C. § 1</b>
		<b>Judge: Potter</b>

The United States of America, acting through its attorneys  
charges:

I

DESCRIPTION OF THE OFFENSE

1. CERCO, INC., d/b/a NORTHERN REFRACTORY AND INSULATION  
CO. (NORTHERN), is hereby made a defendant on the charge stated  
below. NORTHERN is an unincorporated division of CERCO, INC., a  
corporation organized and existing under the laws of the state of  
Michigan. CERCO, INC. is headquartered in Grosse Ile, Michigan  
and, during the time period covered by this information,  
maintained its NORTHERN division in Toledo, Ohio. The business  
of NORTHERN, during this same time period, was, among other  
things, to perform refractory lining and fireproofing  
construction and repair work.

2. Whenever in this information reference is made to any  
act, deed or transaction of a corporation, the allegation means

that the corporation engaged in the act, deed or transaction by or through its officers, directors, agents, employees or representatives while they were actively engaging in the management, direction, control or transaction of its business or affairs.

3. Various individuals and companies not made defendants herein participated as co-conspirators in the offense charged herein and performed acts and made statements in furtherance thereof.

## II

### BACKGROUND

4. Refractory lining construction is the construction of linings for furnaces or boilers, for example, using high-temperature resistant materials such as brick, concrete, cement, ceramics and plastics. From time to time, repair work also must be performed to maintain the integrity of these linings. Fireproofing is used to protect structural steel from high temperatures during a fire. Customers using refractory linings or fireproofing include refineries, auto manufacturers, and chemical and utility companies.

## III

### OFFENSE CHARGED

5. Beginning at least as early as January 1993 and continuing at least until December 1995, the exact dates being unknown to the United States, the defendant and co-conspirators entered into and participated in a combination and conspiracy to

suppress and eliminate competition in unreasonable restraint of trade and commerce.

6. The charged conspiracy consisted of an agreement, understanding and concert of action among the defendant and co-conspirators, the substantial terms of which were to submit collusive, non-competitive and rigged bids for certain refractory lining or fireproofing construction and repair contracts.

7. For the purpose of forming and carrying out the charged conspiracy, the defendant and co-conspirators did those things they combined and conspired to do, including, among other things:

- (a) discussing among themselves the submission of prospective bids on certain refractory lining or fireproofing construction and repair contracts;
- (b) agreeing among themselves which company would be the low bidder on the aforementioned contracts; and
- (c) submitting collusive, non-competitive and rigged bids on the aforementioned contracts.

#### IV

#### INTERSTATE COMMERCE

8. During the period covered by this information, a substantial quantity of materials and equipment was purchased or hired by the defendant and co-conspirators from locations outside of the state of Ohio and transported into the state of Ohio for

use in performing refractory lining or fireproofing construction and repair contracts.

9. On occasion, general contractors located outside of the state of Ohio sought and received bids from defendant and co-conspirators for jobs involving refractory lining or fireproofing construction and repair work.

10. From time to time payment was remitted from general contractors located in the state of Ohio to CERCO, INC.'s home office in Grosse Ile, Michigan.

11. The business activities of the defendant and co-conspirators that are the subject of this information were within the flow of, and substantially affected interstate trade and commerce.

V

JURISDICTION AND VENUE

12. The combination and conspiracy charged in this information was formed and carried out, in part, within the Northern District of Ohio, Western Division, within the five years preceding the filing of this information.

ALL IN VIOLATION OF TITLE 15, UNITED STATES CODE, SECTION 1.

Dated:

\_\_\_\_\_/s/\_\_\_\_\_  
JOEL I. KLEIN  
Acting Assistant Attorney General

\_\_\_\_\_/s/\_\_\_\_\_  
LAURA HEISER

\_\_\_\_\_/s/\_\_\_\_\_  
GARY R. SPRATLING  
Deputy Assistant Attorney General

\_\_\_\_\_/s/\_\_\_\_\_  
PATRICIA A. ROSSI

\_\_\_\_\_/s/\_\_\_\_\_  
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\_\_\_\_\_/s/\_\_\_\_\_  
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