

UNITED STATES DISTRICT COURT  
MIDDLE DISTRICT OF FLORIDA  
TAMPA DIVISION

UNITED STATES OF AMERICA,	)	
	)	
Plaintiff,	)	
	)	Civil Action No.
v.	)	74-435-CIV-T-H
	)	Filed: August 5, 1974
BETHLEHEM STEEL CORPORATION;	)	
FLORIDA STEEL CORPORATION;	)	
LACLEDE STEEL COMPANY; and	)	
OWEN STEEL COMPANY OF FLORIDA,	)	
	)	
Defendants.	)	

COMPLAINT

The United States of America, plaintiff, by its attorneys, acting under the direction of the Attorney General of the United States, brings this civil action to obtain equitable relief against the above-named defendants, and complains and alleges as follows:

I

JURISDICTION AND VENUE

1. This complaint is filed and this action is instituted under Section 4 of the Act of Congress of July 2, 1890, as amended (15 U.S.C. § 4), commonly known as the Sherman Act, in order to prevent and restrain the violation by the defendants, as hereinafter alleged, of Section 1 of the Sherman Act (15 U.S.C. § 1).

2. Each of the defendants transacts business and is found within the Middle District of Florida, Tampa Division.

II

DEFINITIONS

3. As used herein, the term:

(a) "re-bar materials" means reinforcing steel bar materials, including but not limited to 1/4 inch

to 1-1/2 inch round and deformed reinforcing steel bars, steel wire mesh in varying gauges, and steel bar supports and accessories, used in reinforced concrete construction;

(b) "mill" means a person engaged in the production and sale of steel bars and in the fabrication and sale of re-bar materials; and

(c) "independent fabricator" means a person not affiliated with a mill who is engaged in the purchase of steel bars and in the fabrication and sale of re-bar materials.

### III

#### DEFENDANTS

4. Bethlehem Steel Corporation (hereinafter referred to as "Bethlehem") is made a defendant herein. Bethlehem is a corporation organized and existing under the laws of the State of Delaware and has its principal place of business in Bethlehem, Pennsylvania. During the period covered by this complaint, Bethlehem, a mill, fabricated re-bar materials at Jacksonville and Miami, Florida and sold re-bar materials in the State of Florida.

5. Florida Steel Corporation (hereinafter referred to as "Florida Steel") is made a defendant herein. Florida Steel is a corporation organized and existing under the laws of the State of Florida and has its principal place of business in Tampa, Florida. During the period covered by this complaint, Florida Steel, a mill, fabricated re-bar materials at various locations in Florida and sold re-bar materials in the State of Florida.

6. Laclede Steel Company (hereinafter referred to as "Laclede") is made a defendant herein. Laclede is a corporation organized and existing under the laws of the State of

Delaware and has its principal place of business in St. Louis, Missouri. During the period covered by this complaint, Laclede, a mill, fabricated re-bar materials at Tampa, Florida and sold re-bar materials in the State of Florida.

7. Owen Steel Company of Florida (hereinafter referred to as "Owen") is made a defendant herein. Owen is a corporation organized and existing under the laws of the State of Florida and has its principal place of business in Jacksonville, Florida. During the period covered by this complaint, Owen, a mill, fabricated re-bar materials at Jacksonville, Florida and sold re-bar materials in the State of Florida.

#### IV

##### CO-CONSPIRATORS

8. Various individuals and companies, not made defendants herein, have participated as co-conspirators in the violation alleged herein and have performed acts and made statements in furtherance thereof.

#### V

##### TRADE AND COMMERCE

9. Re-bar materials provide the strength, rigidity and reinforcement to concrete foundations, pillars, floorings and paved surfaces essential to the construction of highways, bridges, buildings and other structures. Re-bar materials are fabricated to conform to plans and specifications and engineering requirements of specific construction projects.

10. During the period covered by this complaint, the defendants have been engaged in the production and sale of steel bars at rolling mills located in various states throughout the country. Such steel bars have been used by the defendants and sold to independent fabricators for the fabrication of re-bar materials for sale to general contractors, subcontractors, public procurement officers and others in the State of Florida.

11. In most cases, sales of re-bar materials to contractors, builders, governmental agencies and other customers are made on the basis of written or oral price quotations. Said customers use re-bar materials in the construction, repair, alteration, and improvement of highways and governmental, institutional, industrial, commercial and residential structures.

12. A substantial part of the steel used in the fabrication of re-bar materials in the State of Florida is derived from sources located outside that state. This steel is formed into steel bars at rolling mills in Florida and in other states and supplies of steel bars are thereafter shipped to the Florida fabricating facilities of the defendants and independent fabricators on the basis of existing orders and anticipated demand for re-bar materials. The defendants and independent fabricators therefore act as conduits through which steel flows in a continuous uninterrupted stream in interstate commerce from the states in which it originates to the fabricating facilities maintained by the defendants and independent fabricators in the State of Florida where it is fabricated into re-bar materials and from there delivered to job sites.

13. During the period of time covered by this complaint, sales of re-bar materials by the defendants were substantial. For example, for the two year period of 1972 and 1973, such sales approximated 422,000 tons and had a value of over \$85 million.

## VI

### VIOLATION ALLEGED

14. Beginning at least as early as 1960 and continuing thereafter until at least the latter part of 1972, the exact dates being unknown to the plaintiff, the defendants and

co-conspirators entered into and engaged in a combination and conspiracy in unreasonable restraint of the aforesaid interstate trade and commerce in violation of Section 1 of the Sherman Act, as amended (15 U.S.C. § 1).

15. The aforesaid combination and conspiracy consisted of a continuing agreement, understanding and concert of action among the defendants and co-conspirators, the substantial terms of which were that certain construction contracts requiring the use of reinforcing steel bars be allocated among the defendants.

16. In formulating and effectuating the aforesaid combination and conspiracy, the defendants and co-conspirators did those things which, as hereinbefore alleged, they combined and conspired to do, including, among other things, the following:

- (a) agreed at meetings to allocate specific contracts for the sale of re-bar materials among the participants;

- (b) agreed that the participants who were not designated as low bidder on a particular contract would either refrain from bidding or would submit higher, complementary bids; and

- (c) telephoned each other to exchange price and tonnage information.

17. The violation alleged herein may recur or continue unless the relief hereinafter prayed for is granted.

## VII

### EFFECTS

18. The violation alleged herein has had the following effects, among others:

- (a) price competition in the sale of re-bar materials in the State of Florida has been suppressed;

(b) users of re-bar materials in the State of Florida have been deprived of the opportunity to purchase re-bar materials in an open and competitive market; and

(c) prices of re-bar materials have been increased and the market stabilized in the State of Florida.

PRAYER

WHEREFORE, plaintiff prays:

1. That the Court adjudge and decree that each of the defendants has engaged in a combination and conspiracy, as alleged herein, in unreasonable restraint of the aforesaid interstate trade and commerce in violation of Section 1 of the Sherman Act.

2. That each of the Defendants, its successors, assignees, transferees, directors, officers, agents, employees, representatives, and all other persons or corporations acting or claiming to act for or on its behalf, be perpetually enjoined and restrained from continuing, maintaining or renewing, directly or indirectly, the combination and conspiracy hereinbefore alleged, and from engaging in any other combination, conspiracy, contract, agreement, understanding or concert of action having a similar purpose or effect, and from adopting or following any practice, plan, program or device having a similar purpose or effect.


3. That each of the defendants, its successors, assignees, transferees, directors, officers, agents, employees, representatives, and all other persons or corporations acting or claiming to act for or on defendant's behalf, be perpetually enjoined and restrained from combining and conspiring among themselves or with any other person or

corporation to allocate customers for the sale of re-bar materials, or to fix, maintain, or stabilize prices of re-bar materials.

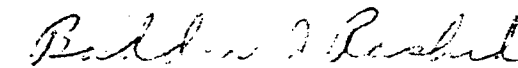
4. That the defendants be required to distribute to each of their customers a copy of any final judgment or decree within 60 days of the date of entry by this Court of such judgment or decree.

5. That the plaintiff have such other and further relief as the Court may deem just and proper.

6. That the plaintiff recover the costs of this suit.

  
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