



Department of Justice

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FORMER CEO OF THE MORGAN CRUCIBLE CO. FOUND GUILTY OF CONSPIRACY TO OBSTRUCT JUSTICE

WASHINGTON – A federal jury in Philadelphia today convicted Ian P. Norris, the former CEO of The Morgan Crucible Company plc, a United Kingdom corporation, of conspiring with others to obstruct justice, the Department of Justice announced.

In 2004, a federal grand jury indicted Norris, a citizen of the United Kingdom, on one count of fixing prices of carbon brushes and other carbon products, one count of conspiring to obstruct justice, and two counts of obstructing justice in connection with the Department of Justice's antitrust investigation of price fixing in the carbon products industry. Norris was extradited to the United States in March 2010 on the three obstruction charges. The jury returned a guilty verdict today on the conspiracy to obstruct justice count and not guilty verdicts on the witness tampering count and the count of corruptly persuading others to destroy or conceal documents. Sentencing has been scheduled for Nov. 2, 2010.

The department said that Norris conspired with his subordinates to obstruct the grand jury's investigation. Morgan Crucible employees conspired with Norris to create a false script that employees of both Morgan Crucible and a competitor were to follow when questioned in the investigation. Also, a document destruction task force was formed to collect and destroy or conceal documents from the grand jury, the department said.

"The Antitrust Division uncovered this elaborate and egregious obstruction of justice scheme," said Christine Varney, Assistant Attorney General in charge of the Department of Justice's Antitrust Division. "Today's verdict holds Norris accountable for his actions and sends a message that corporate leaders must promote a culture of law abiding conduct within their companies or be prepared to face stiff prison sentences. The Antitrust Division will remain vigilant in protecting the integrity of its criminal investigations from obstruction in order to effectively carry out its mandate to protect American businesses and consumers from price-fixing cartels."

Carbon products are used to transfer electrical current in automobiles, trains, public transit vehicles and consumer products and are used in pumps and compressors to contain liquids and gases.

Including today's conviction, more than \$11 million in criminal fines have been obtained and four executives and two companies have pleaded guilty or have been convicted as a result of the department's antitrust investigation of price fixing in the carbon products industry.

The Morgan Crucible Company plc, based in Windsor, England, pleaded guilty in 2002 to one count of tampering with witnesses and one count of document destruction. The company paid a \$1 million criminal fine.

A former subsidiary of the company, Morganite Inc., which was based in Dunn, N.C., pleaded guilty in 2002 to fixing prices of carbon brushes and other carbon products and paid a \$10 million fine.

In addition, three subordinates of Norris previously pleaded guilty to obstruction charges. Jacobus Johan Anton Kroef, the former Chairman of the Industrial and Traction Division of The Morgan Crucible Company plc, pleaded guilty in 2003 to witness tampering. Robin D. Emerson, former pricing coordinator at Morganite Electrical Carbon Ltd. of Swansea, U.K., pleaded guilty in 2003 to corruptly persuading another person to destroy or conceal documents in connection with the investigation. F. Scott Brown, the former Global President and a member of the Board of Directors of Morgan Advanced Materials and Technology Inc. (MAMAT), now headquartered in Greenville, S.C., pleaded guilty in 2003 to aiding and abetting document destruction in connection with the investigation. Morganite Electrical Carbon Ltd. and MAMAT are subsidiaries of The Morgan Crucible Company plc.

The conspiracy count carries a maximum penalty of five years in prison and a \$250,000 fine.

Trial attorneys Lucy McClain, Richard Rosenberg, and Kimberly Justice of the Antitrust Division's Philadelphia Field Office prosecuted the case.

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