

Big concrete makers mix it up in federal court

Two of the Southeast's biggest concrete companies are accusing each other in federal lawsuits of illegal or improper business practices.

On June 7, Alpharetta-based Argos USA LLC filed a complaint in federal court in Atlanta alleging that one of its former sales managers, Christopher Young, stole Argos' trade secrets and gave them to its competitor, Southeast Ready Mix LLC. Argos says that a short time after Young left Argos in 2016, he went to work for Southeast Ready Mix.

"Young stole this confidential, proprietary business information using spy-novel espionage methods that were designed to avoid detection," Argos claims in its complaint. "For example, he used cameras to photograph computer screens so there would be no electronic trail of his activities; he secretly recorded hundreds of hours of business conversations with no one's knowledge or consent; and he stole business documents from a company vehicle and slipped them into his bag on the day he was terminated."

Argos says that among its top 11 customers in 2016, five of those customers did not buy any concrete from Argos in 2017 and volume from two more of Argos' top customers declined by more than 60 percent and 80 percent, respectively, from 2016 to 2017. To read Argos' complaint, [click here](#).

The new lawsuit extends a year-old legal battle between Argos and Southeast Ready Mix.

In July 2017, Southeast Ready Mix and Mayson Concrete Inc. filed an antitrust lawsuit against Argos USA and several other concrete-makers — Elite Concrete LLC, Evans Concrete LLC, Thomas Concrete Inc., Holcim (US) Inc. and Cemex Inc. Southeast and Mayson claim that, "The cement cartel, comprising Argos, Holcim, Giant, and Cemex — all horizontal competitors — agreed to fix cement prices, while conspiring to monopolize the market. The ready mix cartel, comprising Argos, Evans, Thomas, and Elite — all horizontal competitors — allocated customers, rigged bids, and engaged in group boycotts of nonparticipating competitors, all in a quest to fix, raise, and stabilize the price of ready mix. Common to both cartels is Argos, a vertically integrated international supplier of both products, which leverages its dominant position in the upstream cement market to benefit the cartel in the ready mix concrete market."

Southeast Ready Mix and Mayson contend "they have collectively suffered at least \$50 million in lost profits and other damages resulting from the cartels' conduct."

The case remains pending. To read Southeast's complaint, [click here](#).

Mark Prybylski, U.S. general counsel for Argos USA, said in an email to Atlanta Business Chronicle, “Argos generally does not comment on open litigation matters. However, we want to make it entirely clear that we deny each of the allegations brought forth by Southeast Ready Mix in its meritless lawsuit. At the same time, we recognize that the protection of trade secrets and other confidential information is critical to the operation and success of any business. Argos fully intends to pursue appropriate legal action against Christopher Young, Southeast Ready Mix and others for any theft or misuse of company property.”

Richard Robbins, an Atlanta attorney who is representing Southeast Ready Mix, said in an email to Atlanta Business Chronicle that another pending case, by homeowners, “charges Argos with delivering substandard concrete that not only cracked, but also caused health risks to those who touched it.”

“Important evidence for both cases came from Christopher Young, who worked at Argos and reported the antitrust violations and defective concrete to the highest levels at Argos. Nothing was done, and Argos retaliated against him,” Robbins said. “The recent lawsuit filed by Argos against Southeast and Mr. Young is an attempt to intimidate and discredit Mr. Young and to discourage Southeast from pursuing the antitrust case. Mr. Young denies taking any ‘trade secrets’ or using them as alleged in the lawsuit. Southeast and Mr. Young will not be intimidated by these meritless claims and intends to seek their dismissal.”