Ohio Attorney General Mike DeWine

Briefing Room > News releases > March 2012 > Attorney General DeWine Files Antitrust Complaint Against Two Rock Salt Producers

NEWS RELEASES

Attorney General DeWine Files Antitrust Complaint Against Two Rock Salt Producers

3/21/2012

(COLUMBUS, Ohio)—Attorney General Mike DeWine said today that he has filed an antitrust lawsuit against Cargill, Inc. and Morton Salt, Inc., alleging actions that resulted in above-market prices being paid by the Ohio Department of Transportation and other government entities around the State for rock salt, used to make wintry roads safer for travelers.

The Attorney General’s complaint, filed today in Tuscarawas County Common Pleas Court, alleges that the two companies divided up the Ohio rock salt market between themselves, agreeing not to compete with each other and driving up rock salt prices over the past decade.

“The lawsuit that my office has filed today reflects my commitment to ensuring that Ohioans’ tax dollars don’t line the pockets of suppliers who conspire with each other to inflate the prices of the products they sell to the state and its municipalities,” said Attorney General DeWine. “And when the product involved is vital to the safety of every family that gets into a car when the roads are snowy or icy – like rock salt – my concern is even greater.”

The lawsuit seeks an injunction to prevent the companies from continuing this agreement, disgorgement of the ill-gotten gains, which could be as much as $50 million, $500 a day for each year the agreement existed, and fees and court costs.

According to the Attorney General’s complaint, Cargill and Morton not only agreed not to compete for each other’s public entity rock salt accounts, but actively submitted intentionally losing sham bids in order to conceal their conspiracy and to exclude other competitors entirely from some parts of the state by misusing the “Buy Ohio” provisions enacted by the Ohio legislature. The “Buy Ohio” legislation gave a preference to Ohio-based products when provided by at least two competing bidders.

The complaint alleges that Cargill and Morton, the only two companies that mine rock salt in Ohio and make it available for commercial sale, deceived public purchasers into believing that they were indeed providing genuinely competitive bids on Ohio-mined salt in roughly the northern two-thirds of the state. By doing so, they locked out any possible other competitors and divided those counties between themselves, making their conspiracy even more effective in the north.

The reduction of competition in the bidding process led to increased prices paid by public entities in their purchases of rock salt during the conspiracy, according to the Attorney General’s lawsuit.

~30~

Media Contacts
Lisa Hackley: 614-466-3840
Dan Tierney: 614-466-3840

Documents
Copy of Lawsuit (PDF)
Rock Salt Map (PDF)
Lawsuit Graphic (PDF)