

UNITED STATES OF AMERICA

BEFORE THE FEDERAL TRADE COMMISSION Pursuant to the FTC Act, and the authority thereunder, the Federal Trade Commission ("Commission"), having reason to believe that Respondent CRH plc ("CRH"), a company subject to the jurisdiction of the Commission has agreed to acquire Ash Grove Cement Company ("Ash Grove"), a corporation subject to the jurisdiction of the Commission-

3. Respondent and Ash Grove are, and at all times relevant herein have been, engaged in commerce, as “commerce” defined in Section 1 of the Clayton Act as amended, 15 U.S.C. § 12, and is a company whose business is in or affects commerce, as “commerce” is defined in Section 4 of the FTC Act, as amended, 15 U.S.C. § 44.

II. THE PROPOSED ACQUISITION

4. Pursuant to an Agreement and Plan of Merger dated September 20, 2017 (“Agreement”), CRH proposes to acquire 100 percent of the existing voting securities of Ash Grove in a transaction valued at approximately \$5 billion (the “Acquisition”). The Acquisition is subject to Section 7 of the Clayton Act, as amended, 15 U.S.C. § 18.

III. THE RELEVANT MARKETS

5. For the purposes of this Complaint, the relevant line of commerce in which to analyze the effects of the Acquisition are the manufacture, import, and sale of:

- a. portland cement including but not limited to, blended cement, masonry cement, mortar, and clinker;
 - b. sand and gravel; and
 - c. crushed limestone.
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10. For the purposes of this Complaint, the relevant geographic area in which to analyze the effects of the Acquisition on the sand and gravel market is Omaha, Nebraska Council Bluffs, Iowa.

11. For the purposes of this Complaint, the relevant geographic area in which to analyze the effects of the Acquisition on the crushed limestone market is Johnson County, Kansas.

IV. THE SN(E S)-1 (n)-13 1.86 0 Td [s]-1 Td [Rln(O-1 (F) g)6 Sn(Co.-1 s)-5 (

15. Opening a new quarry to mine and process crushed limestone in Kansas City typically costs \$3 to 4 million and takes about five years to accomplish. Additionally, Johnson County has not approved a new quarry site in more than twenty years due to public opposition. Given the difficulties of entry in these three relevant markets, it is unlikely that any new entry could be accomplished in a timely manner to defeat a likely price increase caused by the proposed acquisition.

VI. EFFECTS OF THE ACQUISITION

16. The effects of the Acquisition, if consummated, may be to substantially lessen competition and to tend to create a monopoly in the relevant market in violation of Section 7 of the Clayton Act, as amended, 15 U.S.C. § 18 and Section 5 of the FTC Act, as amended, 15 U.S.C. § 45, by eliminating actual, direct, and substantial competition between Respondent CRH and Ash Grove and reducing the number of significant competitors in each relevant market.