

**UNITED STATES DISTRICT COURT
FOR THE NORTHERN DISTRICT OF ILLINOIS
EASTERN DIVISION**

In re PVC Pipe Antitrust Litigation

Case No. 24 C 07639

Hon. LaShonda A. Hunt

THIS DOCUMENT RELATES TO:

**SECOND CONSOLIDATED AMENDED
CLASS ACTION COMPLAINT**

The Direct Purchaser Plaintiff Class

PUBLIC REDACTED VERSION

Plaintiffs Bill Wagner & Son, Inc. and Vitolite Electric Sales Co. (“Plaintiffs”) bring this action on their own behalf and on behalf of a class of all persons and entities similarly situated (the “Class”), for damages and injunctive relief under the antitrust laws of the United States against defendant **Oil Price Information Service, LLC (“OPIS”)** and the following defendants and/or defendant corporate families of the nation’s leading manufacturers, known as “converters,” of PVC Pipes (“PVCs”) and PVC Pipe Fittings (“Fittings,” (which are PVC products that connect, combine or re-route PVCs and as such are complementary to, and have no separate function from, the PVCs to which they are connected) hereinafter PVCs or PVCs and Fittings), referred to herein as the “Converter Defendants:” (1) **Atkore Inc.** (“Atkore”) and its subsidiaries and/or divisions Heritage Plastics, Inc. (“Heritage/Atkore”), Allied Tube & Conduit Corp. (“Allied/Atkore”), Queen City Plastics, Inc. (“Queen City/Atkore”) and Rocky Mountain Colby Plastics a/k/a RMCP, Inc. n/k/a Cor-Tek (“Cor-Tek/Atkore”), all of whom are also named as Defendants herein (2) the **Cantex Defendant Family**, comprised of five Converter Defendants – Cantex Inc. (“Cantex”), Diamond Plastics Corporation (“Diamond”), Prime Conduit, Inc. (“Prime”), Sanderson Pipe Corporation (“Sanderson”) and Southern Pipe, Inc. (“Southern”) – all

of whom are jointly-owned by Japanese conglomerates Mitsubishi Corporation and Shin-Etsu Chemical Co., Ltd; (3) **Charlotte Pipe & Foundry Co.** (“Charlotte Pipe”); (4) **Cresline Plastic Pipe Co.** (“Cresline”); (5) **IPEX USA LLC** (“IPEX”), (6) **J-M Manufacturing Company, Inc. d/b/a JM Eagle** (“JM Eagle”), (7) **National Pipe & Plastics, Inc.**, (“National” or “National Pipe”); (8) **PipeLife Jet Stream, Inc.**, (“PipeLife Jet Stream”); (9) the **Ottertail Defendant Family**, comprised of defendants Otter Tail Corporation (“Ottertail”) and its wholly owned subsidiaries Northern Pipe Products, Inc. (“Northern/Ottertail”) and Vinyltech Corporation (“VinylTech/Ottertail”), and (10) the **Westlake Defendant Family**, comprised of defendants Westlake Corporation and its wholly owned subsidiary Westlake Pipe & Fittings Corporation d/b/a North America PVC Pipe Corporation (“NAPCO/Westlake”).

The allegations in this Second Consolidated Amended Class Action Complaint (the “Complaint”) detailing the Defendants’ nationwide conspiracy are based on the continuing investigation of counsel, as well as certain materials already provided to a grand jury convened in San Francisco by the Antitrust Division of the U.S. Department of Justice (“DOJ”) investigating criminal antitrust violations and in turn produced to Plaintiffs’ Counsel by Defendant OPIS pursuant to a settlement agreement preliminarily approved by the Court. Plaintiffs have not had any discovery involving the Converter Defendants. The OPIS materials only represent a small portion of the evidence – both documentary and testimonial – that Plaintiffs believe will exist in the possession, custody or control of the Defendants in addition to OPIS, including but not limited to Converter Defendants Atkore (which disclosed on February 19, 2025 that it had been served with a grand jury subpoena dated February 13, 2025) and Ottertail (which was served with a grand jury subpoena dated August 27, 2024). On December 13, 2024, OPIS informed its subscribers that it had ceased, as of November 22, 2024, the publication of the OPIS Reports (defined and

detailed below), following disclosure of the DOJ’s criminal investigation and the filing of civil cases, including Plaintiffs’ cases, against it.

I. NATURE OF THE ACTION

1. This civil antitrust action seeks damages and injunctive relief arising out of the collusive and concerted restraint of trade in the market for PVCs and Fittings by the Converter Defendants and OPIS from at least January 1, 2020, to the time when the effects of the Defendants’ anticompetitive conduct cease (the “Class Period”). The Converter Defendants have been direct competitors and leading manufacturers of PVCs and Fittings in the United States and its territories. But for Defendants’ collusive conduct as alleged herein, Plaintiffs, and members of the Class Plaintiffs seek to represent, would not have paid—and would not continue to pay—artificially inflated prices .

2. PVCs are made of polyvinyl chloride, a plastic that is made by combining chlorine and ethylene. There are three types of PVCs: (1) **plumbing** PVCs: pipes used in plumbing and drainage in residential and commercial settings, which are priced (in both letters and “price sheets”) in dollars-per-foot (*e.g.*, \$2.74/foot); (2) **conduit** PVCs: pipes used in electrical conduit and ductwork for heating and cooling systems, and priced (using price sheets) in dollars-per-hundred-foot (*e.g.*, “\$169/100”); and (3) **municipal** PVCs: pipes used in municipal water and sewer systems, which are priced in “Blocks,” where each “Block” represents a cost of ½ cent-per-foot of PCVP, such that “Block 78” means \$0.39/foot (78 x \$0.005) and a price increase of 10 “Blocks” equates to a price increase of \$0.05/foot. PVCs are a popular choice for piping because they are strong, durable, easy to install, and relatively inexpensive. PVC itself is also corrosion resistant, has a smooth surface that allows for easy flow, and has low bacterial growth. PVCs are also considered environmentally sound and have a long service life.

II. OVERVIEW OF DEFENDANTS' CONSPIRACY

3. In 2023, the worldwide PVCP market was valued at approximately \$45 billion. In 2023, the North American PVCP market (the second-largest in the world, after mainland China) was valued at \$14.15 billion. Together, the Converter Defendants control more than 95% of PVCPs sold in the United States.

4. The Converter Defendants' collusive scheme was actively facilitated by Defendant OPIS. Defendant OPIS is a price-reporting service that distributed – at significant cost to the Converter Defendants subscribing to it, all of whom had to formally apply to obtain a subscription – a report called the “PetroChem Wire PVC & Pipe Weekly” (colloquially known in the industry, and referred to herein, as the “OPIS Report”) to subscribers. The final issue of the OPIS Report was published on November 22, 2024.

5. The OPIS Reports provided a summary of the current conditions of the PVCP market, including Converter Defendants' future price information, gathered and reported information from market participants, provided a “high,” “low,” and “midpoint” price for PVCPs and was, according to OPIS, the “only pricing source” for PVCPs. The OPIS Reports also provided similar pricing and market information for Fittings. And as set forth hereafter, the Converter Defendants which sold Fittings conspired to fix the price of Fittings as part of their conspiracy.

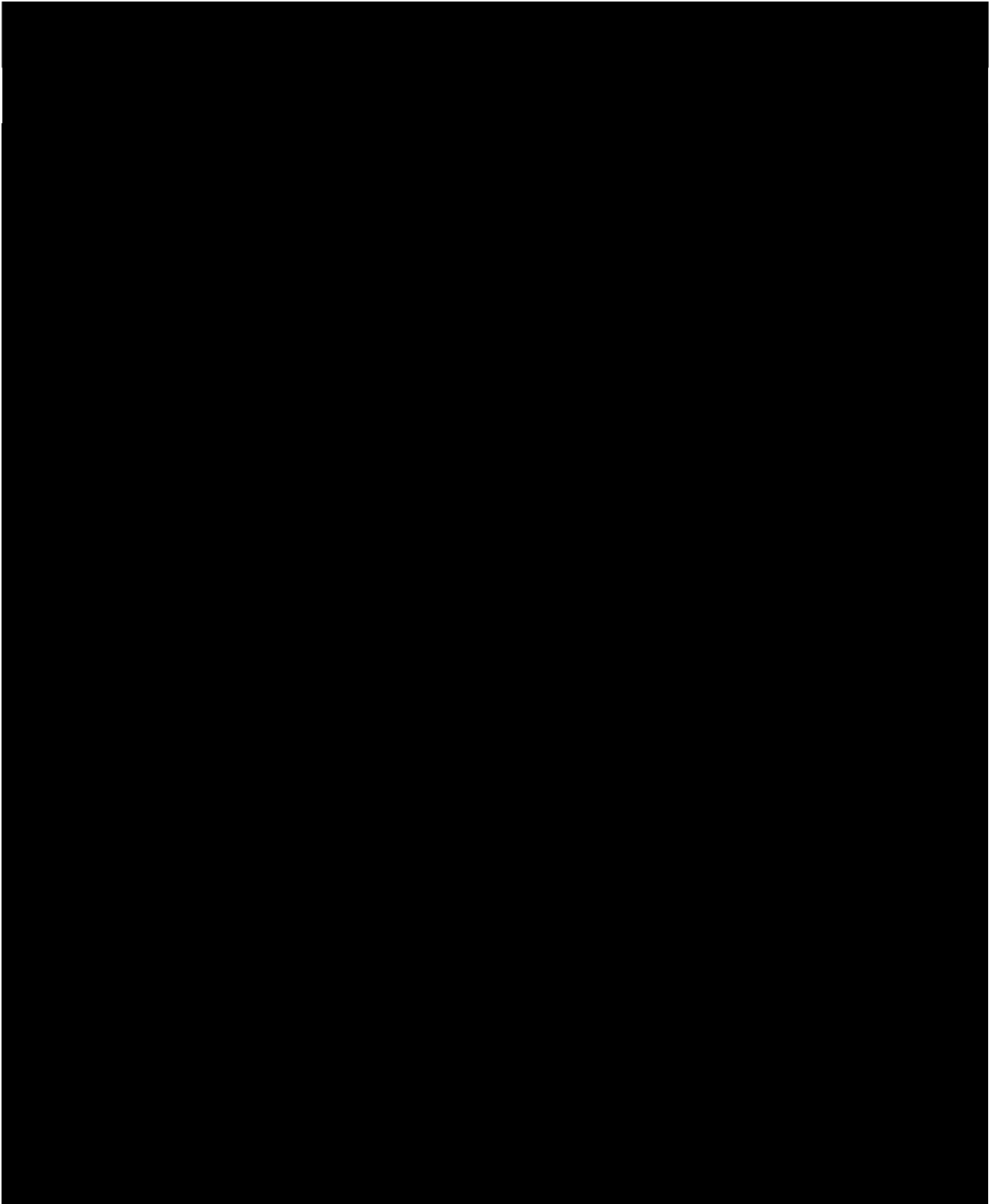
6. Moreover, OPIS enabled the Converter Defendants to discuss and disclose their current and future pricing activities on a weekly basis, gain access to standardized pricing data from their erstwhile competitors, and collectively extract artificially inflated profits from their customers, including, Plaintiffs and members of the Direct Purchaser Plaintiff (“DPP”) Class.

7. OPIS – specifically, Donna Todd (“Todd”), the author of the OPIS Reports – received from the Converter Defendants a daily, and very often hourly, inflow of competitively

sensitive information, including prices, discounting information, transactions, and projected prices and price increases. OPIS in turn provided the Converter Defendants with weekly reports that included prices, which the Converter Defendants relied on to monitor the prices of PVCs and Fittings, and which as detailed herein, were the subject of an illegal agreement among the Converter Defendants. Todd was in constant communication with the Converter Defendants, to discover and report on prices, as well as pricing and market trends, including future prices.

As detailed below, one of the mechanisms used by Defendants to facilitate their price-fixing

Indeed, as set forth hereafter



10. The Converter Defendants orchestrated and maintained their conspiracy in part via the OPIS Reports and the BCC List. Through Todd, a knowing facilitator, the Converter Defendants coordinated pricing strategies, shared competitively sensitive information, made offers to collude, monitored and policed their cartel, and agreed to fix prices.

11. This price-fixing scheme resulted in inflated PVCP and Fittings' prices and huge profit margins for the Converter Defendants. These prices and profit margins defy economic logic, remaining at elevated levels despite normalized input costs (specifically, PVC resin) and weak demand. For example, municipal PVCP prices and conduit PVCP prices at the end of 2024 remained 4.7 times and 2.7 times, respectively, above the levels prior to the Class Period.

12. Certain Defendants – including Allied/Atkore, Heritage/Atkore, Queen City/Atkore, Cantex, Charlotte Pipe, Cresline, IPEX, JM Eagle, Prime, Southern and NAPCO/Westlake – not only produced and sold PVCs, but also produced and sold the majority of Fittings in the United States during the Class Period, which are encompassed by the conspiracy alleged herein. Indeed, many of the individuals involved in Fittings' sales at these Converter Defendants were also involved in PVCP sales and the OPIS reports and received Todd's communications which dealt with Fittings in addition to PVCs.

13. Fittings are complementary and compatible products to PVCs that have no purpose, utility or function separate and apart from being connected to PVCs. Fittings, which come in several forms, including elbows, connectors, and tees and wyes (for branching PVCs in different directions or angles), are generally manufactured and sold to the same standards as those PVCs to which they connect. For example: plumbing Fittings are made to the American Water Works Association ("AWWA") AWWA C900 or AWWA C907 standards also used for plumbing PVCs, conduit Fittings are made and sold to the Underwriters Laboratory ("UL") UL651 standard

used for conduit PVCs, and municipal Fittings are made to the ASTM's D2664-66/2665 or F1866 standards used for municipal PVCs. Both PVCs and Fittings use resin as their primary input, and are frequently purchased together.

14. PVCs and Fittings follow the same pricing trends. During the Class Period, with PVCs and Fittings prices moving nearly in tandem, as shown below in Figure 4, the Converter Defendants that made and sold both PVCs and Fittings, knew, and intended, that their agreement to fix, raise and maintain the price of PVCs would correspondingly fix, raise and maintain the prices of Fittings. Converter Defendants' collusive increases in PVC prices also enabled them to raise Fittings prices, without arousing suspicion among Plaintiffs or members of the Class. Because both PVCs and Fittings utilize resin as their key input, the Converter Defendants could falsely claim that PVC prices were "up" due to resin costs, and then use the same false justification to boost Fittings prices at or around the same time.

15. This scheme was a win-win for Converter Defendants who sold both products, and a lose-lose for Plaintiffs and members of the Class, who were hit with overcharges twice: first on the PVCs they purchased directly from the Converter Defendants, then on the Fittings they purchased directly from the Converter Defendants.

III. JURISDICTION AND VENUE

16. Plaintiffs bring this action on their own behalf as well as that of the proposed Class under Section 1 of the Sherman Act (15 U.S.C. § 1) and Section 4 of the Clayton Act (15 U.S.C. § 15(a)), and seek to recover treble damages, costs of suit, and reasonable attorneys' fees for the injuries sustained by Plaintiffs and the Class resulting from Defendants' violation of 1 of the Sherman Act, and to secure injunctive relief against Defendants under Section 16 of the Clayton Act, 15 U.S.C. § 26. The Court has subject matter jurisdiction under 28 U.S.C. §§ 1331, 1337(a), 1407, 15 U.S.C. § 15, and 15 U.S.C. § 26.

17. Venue is proper in this District under 15 U.S.C. §§ 15(a); 22, 26 and 28 U.S.C. §§ 1391(b); (c); and (d) because during the relevant period, Defendants resided, transacted business, were found, or had agents in this District, and a substantial portion of Defendants' alleged wrongful conduct affecting interstate trade and commerce was carried out in this District.

18. Defendants are amenable to service of process under Fed. R. Civ. P. 4(k)(1)(A) and the Illinois long-arm statute 734 Ill. Comp. Stat. 5/2-209 because each Defendant has transacted business in this state and because the Illinois long-arm statute extends jurisdiction to the limits of Due Process, and each Defendant has sufficient minimum contacts with the State of Illinois to satisfy Due Process.

19. This Court has personal jurisdiction over each Defendant because each Defendant – throughout the U.S. and including in this District and the State of Illinois – has transacted business, maintained substantial contacts, or committed overt acts in furtherance of its illegal scheme and conspiracy. The alleged scheme and conspiracy have been directed at, and had the intended effect of, causing injury to the business and property of persons and entities residing in, located in, or doing business throughout the U.S., including in this District, and the State of Illinois.

IV. PARTIES AND CO-CONSPIRATORS

A. Plaintiffs

20. Plaintiff Bill Wagner & Son, Inc. is a New Jersey corporation with its principal place of business in Freehold, New Jersey. During the Class Period, Plaintiff Bill Wagner & Son, Inc. purchased PVCPs directly from one or more of the Converter Defendants and has suffered injury as a result of Defendants' anticompetitive and unlawful conduct.

21. Plaintiff Vitolite Electric Sales Co., Inc. is a New York corporation with its principal place of business in Port Chester, New York. During the Class Period, Plaintiff Vitolite

Electric Sales Co., Inc. purchased PVCs directly from one or more of the Converter Defendants and has suffered injury as a result of Defendants' anticompetitive and unlawful conduct.

B. Defendants

22. Defendant OPIS is a privately-owned Delaware corporation with its principal place of business in Gaithersburg, Maryland. OPIS publishes benchmark prices for a variety of commodities, including chemicals and plastics. In 2018, OPIS acquired *PetroChem Wire*, a series of daily and weekly reports that covers the entire U.S. petrochemical market, including PVC, PVCs, and Fittings.

23. In 2022, News Corp acquired OPIS from S&P Global and IHS Markit, and merged it with Dow Jones. OPIS until November 22, 2024 published the weekly OPIS Report that provided, among other information, pricing and commentary on market conditions for industry participants, gathered, as detailed below, directly from the Converter Defendants. OPIS received a grand jury subpoena in August 2024 from the DOJ as part of the federal criminal antitrust investigation, and has also recently disclosed receipt of investigative demands from at least one state, Florida, with respect to the conduct at issue in this case and the DOJ's criminal probe.

C. The Converter Defendants

(1) Atkore

24. Defendant Atkore, Inc. is a Delaware corporation with its principal place of business in Harvey, Illinois, within this District. During the Class Period, Atkore and each of its Co-Defendant wholly-owned or -controlled subsidiaries and affiliates – (a) Allied/Atkore, a wholly-owned subsidiary of Atkore, Inc., based, like its parent company, in Harvey, Illinois, within this District; (b) Heritage/Atkore, a wholly-owned subsidiary of Atkore, Inc., also based, like its parent company and Co-Defendant Allied/Atkore, in Harvey, Illinois, within this District; (c) Cor-Tek/Atkore, an intermediate subsidiary of Atkore, Inc., based in Pendleton, Oregon; and (d) Queen

City/Atkore, a wholly-owned subsidiary of Atkore, Inc., based in Fort Mill, South Carolina – participated in the conspiracy alleged in this Complaint and manufactured and sold PVCs and Fittings directly to purchasers, in interstate commerce in the United States and its territories, including in this District. Atkore has received a grand jury subpoena from the DOJ as part of the federal criminal antitrust investigation.

[REDACTED]

(2) The Cantex Defendant Family

26. Defendant Cantex, Inc. (“Cantex”) is a Delaware corporation with its principal place of business in Fort Worth, Texas. Cantex is jointly-owned by Japanese conglomerates Mitsubishi Corporation (“Mitsubishi”) and Shin-Etsu Chemical Co., Ltd. (“Shin-Etsu”). During the Class Period, Cantex and its affiliates identified immediately below participated in the conspiracy alleged in this Complaint and manufactured and sold PVCs and Fittings directly to purchasers, in interstate commerce in the United States and its territories, including in this District.

[REDACTED]

[REDACTED]

28. Defendant Diamond Plastics, Inc, (“Diamond”) is a Delaware corporation with its principal place of business in Grand Island, Nebraska. Like Defendant Cantex, Diamond is jointly-owned by Japanese conglomerates Mitsubishi and Shin-Etsu. During the Class Period, Diamond participated in the conspiracy alleged in this Complaint and manufactured and sold PVCPs directly to purchasers, in interstate commerce in the United States and its territories, including in this District.

[REDACTED]

[REDACTED]

30. Defendant Prime Conduit. Inc. (“Prime”) is a Delaware corporation with its principal place of business in Chagrin, Ohio. Like Defendants Cantex and Diamond, Prime Conduit is jointly-owned by Japanese conglomerates Mitsubishi and Shin-Etsu. During the Class Period, Prime participated in the conspiracy alleged in this Complaint and manufactured and sold

PVCPs and Fittings directly to purchasers, in interstate commerce in the United States and its territories, including in this District.

[REDACTED]

32. Defendant Sanderson Pipe, Inc. (“Sanderson”) is a Delaware corporation with its principal place of business in Clarksville, Tennessee. Like Defendants Cantex, Diamond, and Prime, Sanderson is jointly-owned by Japanese conglomerates Mitsubishi and Shin-Etsu. During the Class Period, Sanderson participated in the conspiracy alleged in this Complaint and manufactured and sold PVCPs directly to purchasers, in interstate commerce in the United States and its territories, including in this District.

[REDACTED]

[REDACTED]

[REDACTED]

34. Defendant Southern Pipe, Inc. (“Southern”) is a Delaware corporation headquartered in New London, North Carolina. Like Defendants Cantex, Diamond, Prime, and Sanderson, Southern is jointly-owned by Japanese conglomerates Mitsubishi and Shin-Etsu. During the Class Period, Southern sold PVCs and Fittings directly to purchasers, in interstate commerce, in the United States and its territories, including in this District.

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

36. In addition to their common owners, there is overlap between the boards of directors of Cantex and its affiliates and Co-Defendants Diamond, Prime, Sanderson and Southern. For example: (1) Charles Norman is a director of Cantex, Sanderson and Prime; (2) James Dillavou is a director of Cantex, Diamond and Prime; and (3) Yuki Mototani is a director of Cantex, Diamond and Prime.

(3) Charlotte Pipe and Foundry, Inc.

37. Charlotte Pipe & Foundry Co. (“Charlotte Pipe”) is a North Carolina corporation with its principal place of business in Charlotte, North Carolina. During the Class Period, Charlotte Pipe participated in the conspiracy alleged in this Complaint and manufactured and sold PVCs

and Fittings directly to purchasers, in interstate commerce, in the United States and its territories, including in this District.

[REDACTED]

(4) Cresline Plastic Pipe Co, Inc.

39. Defendant Cresline Plastic Pipe Co. (“Cresline”), is an Indiana corporation with its principal place of business in Evansville, Indiana. During the Class Period, Cresline participated in the conspiracy alleged in this Complaint and manufactured and sold PVCs and Fittings directly to purchasers, in interstate commerce, in the United States and its territories, including in this District.

[REDACTED]

(5) IPEX

41. Defendant IPEX (which is not an acronym) is a wholly-owned subsidiary of the Belgian corporation Aliaxis SA, and is a Delaware corporation with its principal place of business in Pineville, North Carolina. During the Class Period, IPEX participated in the conspiracy alleged in this Complaint and manufactured and sold PVCs and Fittings (the latter under the trade names IPEX, Multi-Fittings and Kraloy) directly to purchasers, in interstate commerce, in the United States and its territories, including in this District.

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

(6) JM Eagle

[REDACTED] Defendant JM Eagle is a California corporation with its principal place of business in Los Angeles. During the Class Period, JM Eagle participated in the conspiracy alleged in this Complaint and manufactured and sold PVCs and Fittings directly to purchasers, in interstate commerce, in the United States and its territories, including in this District [REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

(7) National Pipe

44. Defendant National Pipe, a wholly-owned subsidiary of Irish corporation CRH, plc, is a Delaware corporation with its principal place of business in Endicott, New York. During the Class Period, National Pipe participated in the conspiracy alleged in this Complaint and manufactured and sold PVCs directly to purchasers, in interstate commerce, in the United States and its territories, including in this District.

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

(8) PipeLife Jet Stream

46. Defendant PipeLife Jet Stream, a wholly-owned subsidiary of Austrian based Pipelife International GmbH, is a Delaware corporation with its principal place of business in Siloam Springs, Arkansas. During the Class Period, Pipelife Jet Stream participated in the conspiracy alleged in this Complaint and manufactured and sold PVCs directly to purchasers, in interstate commerce, in the United States and its territories, including in this District.

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

(9) The Ottertail Defendant Family

48. Defendant Ottertail is a Minnesota corporation with its principal place of business in Fergus Falls, Minnesota. During the Class Period, Ottertail and its subsidiaries identified below

participated in the conspiracy alleged in this Complaint and manufactured and sold PVCs directly to purchasers, in interstate commerce, in the United States and its territories, including in this District. Ottertail was served with a federal grand jury subpoena dated August 27, 2024, as part of the DOJ's ongoing criminal antitrust investigation.

49. Defendant Northern/Ottertail is a wholly-owned subsidiary of Defendant Ottertail and is a North Dakota corporation with its principal place of business in Fargo, North Dakota. During the Class Period, Northern/Ottertail participated in the conspiracy alleged in this Complaint and manufactured and sold PVCs directly to purchasers, in interstate commerce, in the United States and its territories, including in this District.

[REDACTED]

51. Defendant Vinyltech/Ottertail is a wholly-owned subsidiary of Defendant Ottertail and is an Arizona corporation with its principal place of business in Phoenix, Arizona. During the Class Period, Vinyltech/Ottertail participated in the conspiracy alleged in this Complaint and manufactured and sold PVCs directly to purchasers, in interstate commerce, in the United States and its territories, including in this District.

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

53. Defendant Ottertail controls both Northern/Ottertail and Vinyltech/Ottertail generally, and with respect to the conduct in furtherance of the unlawful acts alleged in this Complaint. Ottertail’s website states that its “manufacturing platform includes four different companies,” including Northern/Ottertail and Vinyltech/Ottertail, which the website states produce “PVC pipe for some of the world’s top brands.” Northern/Ottertail and Vinyltech/Ottertail, which are included in the “Our Companies” page of the Ottertail website, are part of the company’s Plastics segment, which is by far the largest of Ottertail’s three business segments and the largest of its manufacturing operations. The company’s 2024 Annual Report stated that Northern/Ottertail and Vinyltech/Ottertail, “our two PVC pipe manufacturing companies comprising our Plastics segment, produced record earnings in 2024 totaling” over \$200 million.

(10) The Westlake Defendant Family

54. Defendant Westlake Corporation is a Delaware corporation with its principal place of business in Houston, Texas. During the Class Period, Westlake Corporation and its subsidiary identified below participated in the conspiracy alleged in this Complaint and manufactured and sold PVCs and Fittings directly to purchasers, in interstate commerce, in the United States and its territories, including in this District.

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

56. Defendant NAPCO/Westlake is a wholly-owned subsidiary of Defendant Westlake Corporation and is a Delaware corporation with its principal place of business in Houston, Texas. During the Class Period, NAPCO/Westlake participated in the conspiracy alleged in this Complaint and manufactured and sold PVCs and Fittings directly to purchasers, in interstate commerce, in the United States and its territories, including in this District.

[REDACTED]

58. Defendant Westlake Corporation controls NAPCO/Westlake both generally and with respect to the conduct in furtherance of the unlawful acts alleged in this Complaint.

59. The acts alleged against the Defendants in this Complaint were authorized, ordered, or done by their officers, agents, employees, or representatives, while actively engaged in the management and operation of Defendants' businesses or affairs.

60. Various persons or firms not named as Defendants herein have participated as co-conspirators in the violations alleged herein and may have performed acts and made statements in furtherance thereof.

61. Each Defendant acted as the principal, agent, with respect to the acts, violations, and common course of conduct alleged by Plaintiffs and the proposed Direct Purchaser Class (defined below).

V. FACTUAL ALLEGATIONS

A. PVCs

(1) PVCs Are Critical Commodities

62. PVCs, which Defendant Ottetail's most recent Annual Report described as a "commodity product," are an indispensable component of U.S. infrastructure, playing a crucial role across various sectors due to their durability, cost-effectiveness, and versatility. Unlike metal pipes, PVCs do not rust or corrode and are also extremely resistant to chemical deterioration, ensuring a longer lifespan and reducing maintenance costs. PVCs are also easier to install and cheaper compared to many other piping materials. PVC installation is approximately 30% faster compared to other materials used for piping. This makes PVCs essential for quick and efficient deployment of new infrastructure as well as for updating and replacing old infrastructure.

63. Several key applications of PVCs are in high-tech industries, vital to the nation's economic growth and technological advancement, especially as the United States seeks to invest in and update critical high-tech infrastructure. High-tech industries, including telecommunications, data centers, hospital systems, transportation, energy sectors, and more, rely heavily on PVCs for protecting and routing electrical and data cables.

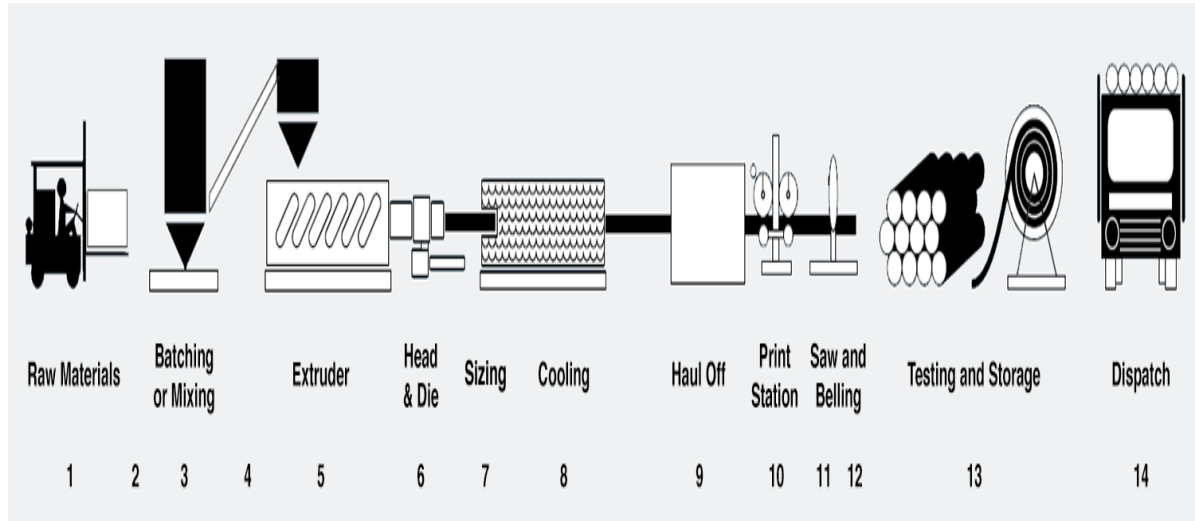
64. PVCs are also used extensively in construction for plumbing and water pipes, wastewater, air ventilation, and more. PVCs are a widely-used material for piping, accounting

for approximately 66% of water distribution piping and approximately 75% of sanitary sewer piping. PVCs are used extensively in water and sewage systems, but also have a variety of other key infrastructure uses due to their durability, bendability, and resistance to chemicals and extreme temperatures. PVCs ensure a reliable and safe supply of drinking water to communities and municipalities across the country.

(2) How PVCs Are Made

65. PVCs are manufactured via an extrusion method, as shown below in Graphic A. PVC chloride powder and other additives are mixed together through a high-speed mixing and blending process and heated to a temperature of around 120°C, after which the blend is automatically discharged into a cooling chamber which rapidly reduces the temperature to around 50°C.

66. The heart of the process – the extruder – has a temperature-controlled zoned barrel which mixes the raw materials and converts the dry blend into the required “melt” state, by heat, pressure, and shear. The PVC passes through a number of zones that compress, homogenize, and vent the melt stream. The final zone increases the pressure to extrude the melt through the head and die set which is shaped according to the size of the pipe required and flow characteristics of the melt stream. Once the pipe leaves the extrusion die, it is sized by passing through a precision sizing sleeve with external vacuum. This is sufficient to harden the exterior layer of PVC and hold the pipe diameter during final cooling in a controlled water-cooling chamber. The pipe is pulled through the sizing and cooling operations by the puller and an in-line printer marks the pipes at regular intervals, with identification according to size, class, type, date, standard number, and extruder number. An automatic cut-off saw cuts the pipe to the required length:

Graphic A: Extrusion Method of Production

(3) PVCs and Fittings Are Marketed and Sold in the United States Primarily on the Basis of Price

67. PVCs and Fittings are sold in the United States through a combination of Converter Defendants' internal sales forces and representatives. For example, Defendant Westlake stated that, "[i]n North America, we operate 38 leased and 6 owned distribution centers and warehouses that service and supply our products to local customers, contractors and distributors. We also engage in advertising programs primarily directed at trade professionals and homeowners that are intended to develop awareness and interest in our products. In addition, we display our products at trade shows. Our 12 PVC Compounds facilities across the world sell through a combination of our internal sales force and distributors."

68. Because all PVCs and Fittings share the same main ingredient (PVC resin), and because the Converter Defendants produce the vast majority of all PVCs and Fittings in the United States, the prices of municipal PVCs, plumbing PVCs, and conduit PVCs and their complementary Fittings behave in the same general manner. Moreover, decisions regarding pricing of PVCs and Fittings are highly centralized at the Converter Defendants' corporate

offices, with lower-level executives providing input to their companies' top executives, who have the final say on PVCP pricing (for example, upon information and belief, Walter Wang, the CEO of Converter Defendant JM Eagle, has the final say on the prices of every JM Eagle PVCP and Fittings product).

69. Like all commodity products, the primary – and, in many instances, the sole – factor in the buying decisions of direct purchasers such as Plaintiffs and members of the Class is price. And because price is the primary or sole factor in their customers' purchasing decisions, the main point of competition for the Converter Defendants is – or, more accurately, but-for their conspiracy, should have been – price. But the Defendants' price-fixing agreement eliminated that point of competition, causing significant injury to the business or property of Plaintiffs and members of the Class in the form of overcharge damages.

VI. OPIS AND THE DEFENDANTS

A. The Role of OPIS' Donna Todd in the Conspiracy

Donna Todd's active role in the price-fixing conspiracy alleged in this Complaint generally took three forms:

(1) Communications Through Text, Email and Phone Allowed Defendants to Communicate, in Essence, Directly Among One Another

70. Continual communications between Todd and Defendants via text message, email and telephone were used by the Defendants to convey to each other – often in real time – confidential pricing information, including their future pricing and discounting plans, and to police and reinforce Defendants' illegal agreement to fix, raise, maintain and stabilize prices for PVCs and Fittings in the United States. Defendants' text and email communications with Todd show they trusted her, and were comfortable giving her competitively sensitive, forward-looking pricing information.

71. [REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED] Some representative examples appear below in Sections VII and VIII.

(2) Circulation of Pricing Information to the Defendants on the “BCC List”

72. In addition to continual texting, emailing and calling that effectively made Todd the practical equivalent of a direct Defendant-to-Defendant connection, Todd also regularly (at least weekly, often daily, and sometimes several times per day) ensured that the price sheets and price increase letters obtained directly from the Defendants were continually circulated to her BCC List, along with a request to Todd’s recipients to send her any additional letters or sheets, [REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

(3) The OPIS Reports

73. Finally, the OPIS Reports – [REDACTED]

[REDACTED]

[REDACTED] showed an agreement among them and a monitoring and policing mechanism for the cartel, as the Converter Defendants knew that the reports accurately conveyed the pricing and sales information from their ostensible competitors. [REDACTED]

VII. DEFENDANTS' COLLUSIVE PRICING

A. Defendants Lay the Groundwork for the Price-Fixing Agreement

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

75. Defendants had set the stage for the successful imposition of anticompetitive prices by early 2020, and began using Todd, for all intents and purposes, and in practical effect, as a direct link among the Defendants to cement their agreement by exchanging competitively-sensitive, forward-looking pricing and sales information. Each Defendant knew – again, often in real time, or near-real time – their competitors’ pricing intentions down to the penny, and their discounting intentions down to the percentage point.

[REDACTED]

[REDACTED]

78. What follows are a few representative examples from the Class Period of Defendants' adherence – both individually and collectively – to their agreement to fix, raise, maintain and stabilize prices in the United States starting at least as early as January 1, 2020.

B. Defendants' Agreement to Fix, Raise, and Stabilize Prices in 2020

79. Defendants throughout 2020 acted in concert to increase and stabilize prices. They accomplished this by, in effect, communicating directly with each other through Donna Todd. Defendants effectuated their price-fixing agreement with a series of price increases announced and effective on the same dates or within a few days of each other, and for identical or near-identical amounts. The following facts are representative examples of Defendants' adherence to their price-fixing agreement in 2020.

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[illegible]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

A series of ten horizontal black bars of varying lengths, representing redacted text. The bars are stacked vertically, with the top bar being the longest and the bottom bar being the shortest. The bars are solid black and have no text or other markings on them.

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[illegible]

C. Defendants' Continued Agreement to Fix, Raise, and Stabilize Prices During 2021

101. The following facts are representative examples of Defendants' adherence to their price-fixing agreement during 2021, which began with a communication to Todd in late December 2020, when Todd typically took her sole annual vacation:

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

D. Defendants' Continued Agreement to Fix, Raise, and Stabilize Prices During 2022

121. The following facts are representative examples of Defendants' adherence to their price-fixing agreement during 2022:

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

Service	Percentage
Online banking	95%
Mobile banking	90%
ATM withdrawals	85%
Branch visits	75%
Peer-to-peer payments	60%

[illegible]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED] Defendants also used Todd to monitor the conspiracy, any cheating by cartel members, and used her to reinforce adherence to the conspiracy. [REDACTED]

[REDACTED]

[REDACTED]

137. From October 2-4, 2022, the PPFA held its autumn meeting at the Broadmoor in Colorado Springs, Colorado.

138. [REDACTED]

[REDACTED] At the end of that week, from October 16-19, 2022, the Plastics Pipe Institute (“PPI,” of which Atkore, JM Eagle, and IPEX are members), met for its annual meeting in Scottsdale, Arizona.

E. Defendants' and Co-Conspirators' Continued Agreement to Fix, Raise, and Stabilize Prices During 2023

140. The following facts are representative examples of Defendants' adherence to their price-fixing agreement during 2023, which began in mid-December 2022, in order to ensure that the cartel was sufficiently informed as to pricing intentions prior to the last two weeks of the year, when Todd typically took her sole annual vacation:

[illegible]

The image consists of a single, uniform black rectangle that fills the entire frame. There are no discernible features, text, or patterns other than the solid black color.

158. From March 5-7, 2023, the PPFA held its semi-annual meeting at the Loews Ventana Canyon Resort in Tucson, Arizona. Later that month, from March 20-22, 2023, the

PVCPA held its annual meeting at the Hilton Curio Collection Hotel in Key West, attended by at least: Diamond's Skip Yentes (VP of sales and Marketing) and John Britton (CEO), IPEX's Travis Lutes (Management President), JM Eagle's Chuck Clark (Vice President of Operations), Gilbert Garcia, and Scott Berry, National's Matt Siegel (President), John Sinowitz and James Blazick, PipeLife JetStream's Andy Hall, Charles Smith, Jerry Shaver, Chad Wilkinson and Wayne Voorhees; Sanderson's President, Eric Howard, and Westlake's Andre Battistin (Vice President of Pipe and Fittings).

[REDACTED]

[REDACTED] Defendants continued to use Todd to police the conspiracy, and to try to prevent or correct cheating. [REDACTED]

[REDACTED]

[REDACTED]

166. From May 9-12, 2023, the PPI held its annual meeting in Maui, Hawaii.

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[illegible]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

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[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[illegible]

[illegible]

[illegible]

[REDACTED]

194. From October 1-3, 2023, the PPFA held its autumn meeting at the Ritz-Carlton in Naples, Florida, followed later in the month by the PPI's semi-annual meeting in Nashville, and then the November 27 – December 3, 2023 Irrigation Association annual meeting in San Antonio.

F. Defendants' Continued During 2024 Their Agreement to Fix, Raise, and Stabilize Prices

195. The following are representative examples of Defendants' adherence to their price-fixing agreement in 2024, which like prior efforts, began in mid-December 2023 to account for Todd's annual vacation in the last two weeks of December:

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[illegible]

The image consists of a single, uniform black rectangle that fills the entire frame. There are no discernible features, text, or patterns other than the solid black color.

A series of horizontal black bars of varying lengths, representing redacted text. The bars are arranged in a list-like fashion, with some bars being longer than others, indicating different amounts of redacted content for each item.

210. From February 26-28, 2024, the PVCPA held its annual meeting at the Los Suenos Marriott Ocean & Golf Resort in Costa Rica. Attendees included, at least: Atkore's Jeff Sherman (Vice President and General Manager) and Michael Deneen (VP of Sales for PVC and HDPE products), Diamond's Skip Yentes (VP of Sales and Marketing) and John Britton (CEO), IPEX's

Travis Lutes (Management President), JM Eagle's Chuck Clark (Vice President of Operations), National's Matt Siegel (President), Randy Sackewitz and Josh Funderburk (Head of Strategic Sourcing, Northern/Ottertail's Terry Mitzel (President of Plastic Segment) and John Abbott (Senior Vice President), PipeLife Jet Stream's Zoran Davidovski, Chad Wilkson (General Manager) and Wayne Voorhees (Vice President of Manufacturing), Sanderson's President, Eric Howard (President), and NAPCO/Westlake's Andre Battistin.

114

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED] Other Defendants began to implement the agreed-upon price increase. [REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

A series of 20 horizontal black bars of varying lengths, stacked vertically. The bars represent a sequence of data points, with lengths ranging from approximately 10% to 100% of the total width.

[illegible]

A series of horizontal black bars of varying lengths, some starting from the left edge and others indented, creating a rhythmic, abstract pattern. The bars are arranged in a sequence that suggests a list or a series of data points, with some bars being significantly longer than others. The overall effect is one of stark contrast and geometric simplicity.

G. OPIS Reports As an Effective Monitoring and Policing Mechanism

237. During the Class Period, plans as to when converters were raising prices, as well as support for such efforts, were regularly communicated in the OPIS Reports: for example, reported phrases like “converters said they would support the effort,” and that it would “be easier to raise plumbing pipe prices at the same time as price increase[s] . . . for municipal and conduit pipe, since according to the old adage a rising tide floats all boats.”

[REDACTED] The OPIS Reports were also important in informing the Defendants to hold the line when increasing prices; [REDACTED]

The OPIS Reports continued into 2022 to be a policing device for the Defendants on “holding the line,”

[REDACTED] If Defendants perceived a cartel member may have been wavering, the OPIS Reports allowed them to advise all the conspirators that each one was under scrutiny by the other, and that each of them needed to do their bit to ensure that everyone benefited from their price-fixing agreement, [REDACTED]

H. Defendants' Margins and Profits Skyrocket During the Class Period

240. Defendants' conspiracy was intended to increase prices. It worked as planned.

241. In a 2019 statement, prior to the Class Period, Cantex stated that the company and its industry counterparts were experiencing “unacceptable margins,” a statement echoed by pre-Class Period OPIS Reports, which noted that Defendants had seen their margins, already “so thin,” and being “hammered.” Prior to the Class Period, Defendants expressed, through Todd, their appetite for higher profits. [REDACTED]

[REDACTED]

[REDACTED]

242. During the Class Period, however, Defendants’ margins and resultant profits reached unprecedented levels, with Ottertail stating in its 2021 and 2022 Annual Reports that boosted prices had “led to earnings levels not previously experienced,” indeed “record setting,” and reiterated on a 2022 earnings call that “significant increases in [PVCP] prices” resulted in “operating margins at levels not previously experienced in the industry.” Westlake’s 2024 Annual Report similarly stated that the segment that included the company’s PVCP business “set another annual record for margins, while also growing sales and earnings.”

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

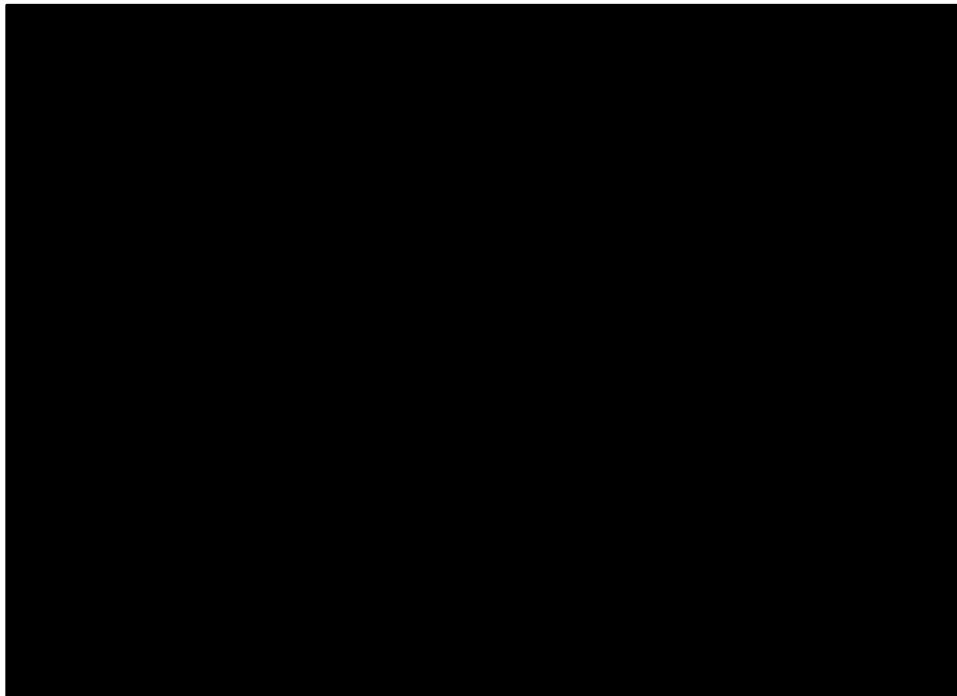
[REDACTED]

[REDACTED]

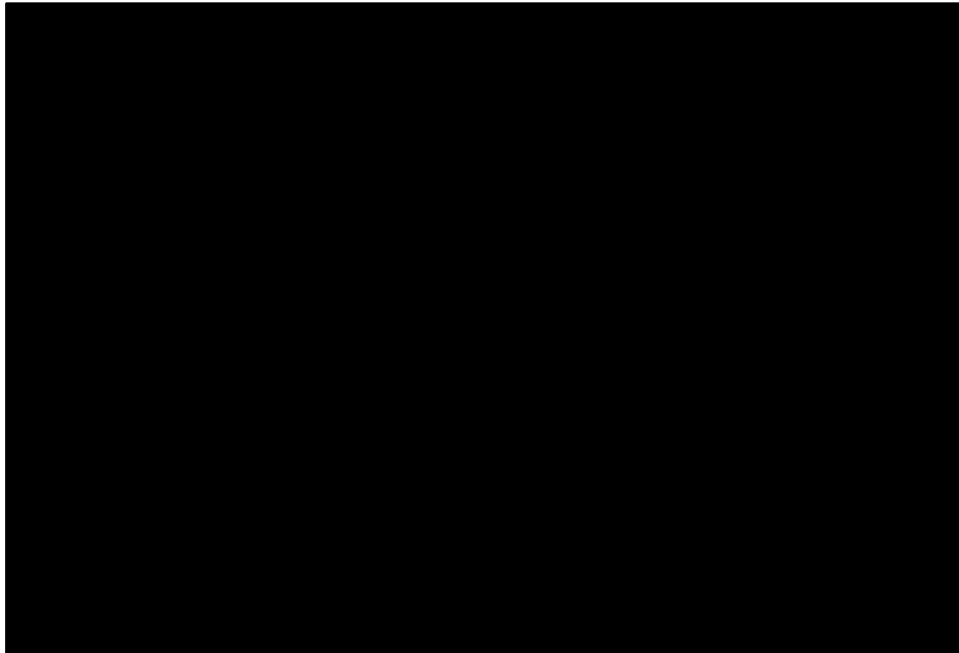
I. Defendants' Agreement to Fix, Raise and Maintain Prices Damaged Plaintiffs and Class Members through Supra-competitive Pricing

245. The Converter Defendants' agreement to fix, raise and stabilize prices of PVCPs and Fittings purchased directly by Plaintiffs and Class Members had a significant, adverse impact on their property or business, in the form of overcharges – that is, Plaintiffs and Class Members paid more (in certain parts of the Class Period, substantially more) than they would have but-for the conspiracy alleged herein.

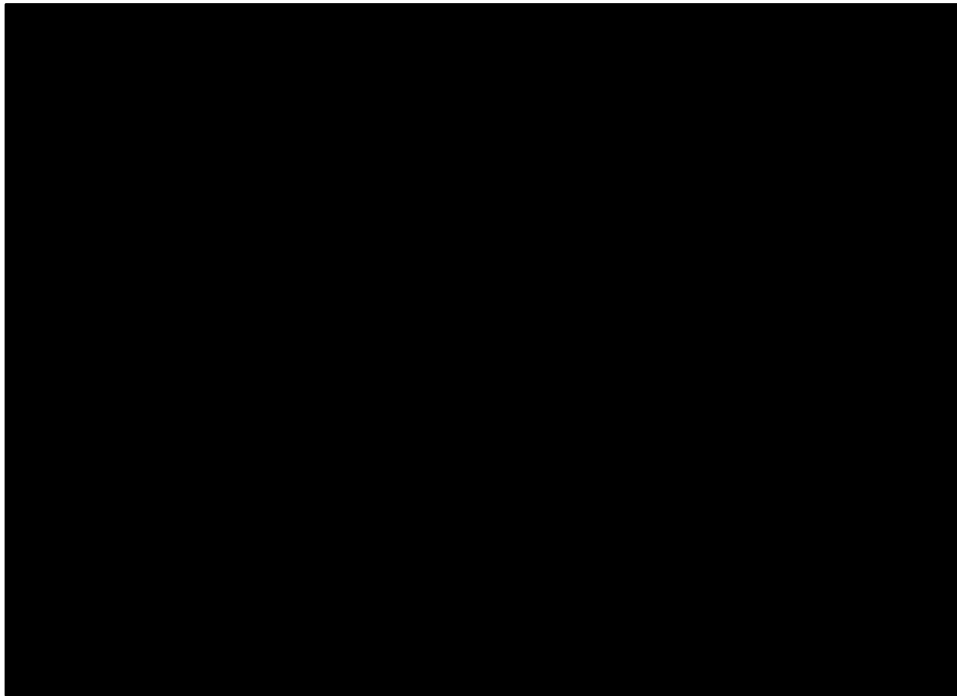
246. For example, Figure 1 below shows the upward trajectory of PVCP prices starting in early 2020:



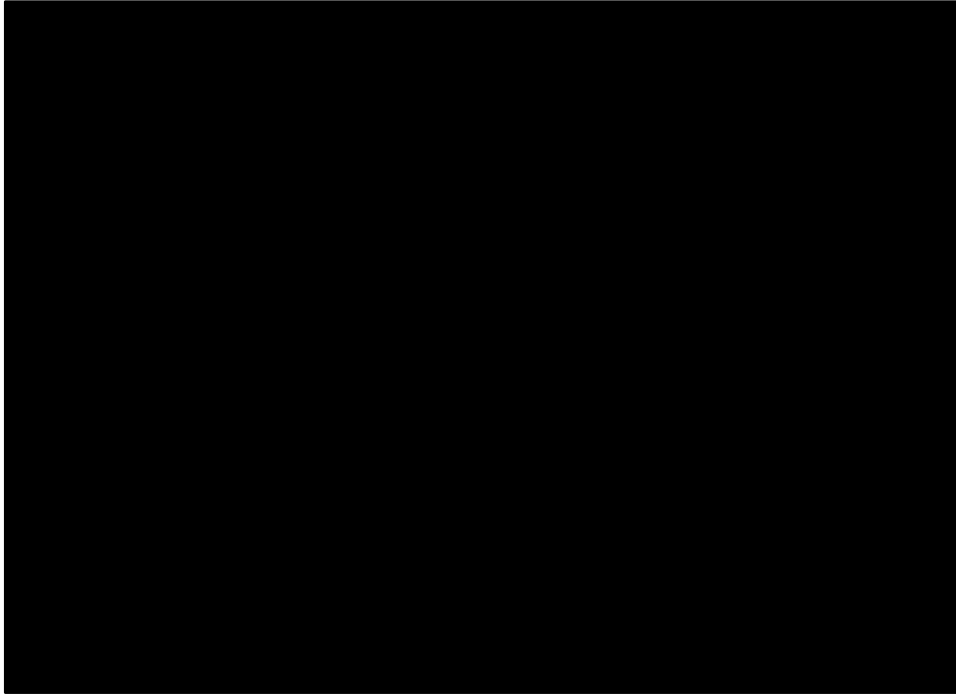
247. These elevated PVCP prices were not justified by the costs of resin, the primary raw material input for PVCPs, with the ever-increasing spread between PVCP prices and resin prices shown below in Figure 2 below:



248. The same extreme spread between resin prices also existed compared to the prices of all PCVPs combined, as shown in Figure 3 below:



249. Defendants knew, and counted on the fact that, their conspiracy would also boost Fittings prices to supra-competitive levels, mirroring the trajectory of rising PVCP prices, as shown in Figure 4 below:



VIII. FRAUDULENT CONCEALMENT

A. Plaintiffs' Claims are Timely and Equitably Tolled

250. Plaintiffs had neither actual nor constructive knowledge of the facts constituting their claims for relief. Plaintiffs did not discover, and could not have discovered through the exercise of reasonable diligence, the existence of the conspiracy alleged herein until late July 2024, when an article regarding potential antitrust violations in the PVCPs market was published online. Following review of the facts in that article indicating that Plaintiffs may have been damaged by price-fixing of the products they purchased, Plaintiffs started their in-depth investigation into the PVCP market pricing. The Defendants engaged in a secret conspiracy that did not reveal facts that put Plaintiffs on inquiry notice that there was a conspiracy to engage in anticompetitive conduct or otherwise harm Plaintiffs.

251. Defendants' anticompetitive conspiracy, by its very nature, was self-concealing. For example, secret conspiratorial communications with OPIS, coupled with direct industry communications (at trade shows and via email/calls), denied Plaintiffs the opportunity to know of

the conspiracy. Before these recent events came to light, Plaintiffs reasonably considered the PVCP /Fittings industry to be a competitive industry. Plaintiffs also reasonably believed their suppliers to be dealing with them on fair and honest terms, and that they could justifiably rely on Defendants' representations regarding price as being truthful. Accordingly, because Defendants used deceptive and secret methods to avoid detection, and affirmatively conceal their misconduct, a reasonable person under the circumstances would not have been alerted to the fact that Defendants were violating the antitrust laws until shortly before this litigation was commenced.

252. Plaintiffs exercised reasonable diligence. Plaintiffs could not have discovered Defendants' alleged conspiracy at an earlier date by the exercise of reasonable diligence because of the deceptive practices and techniques of secrecy employed by Defendants, which has only recently come to the attention of Plaintiffs' counsel by their ongoing review of the materials produced by OPIS under its settlement obligations.

253. However, throughout the relevant period, Defendants effectively, affirmatively, and fraudulently concealed their unlawful combination and conspiracy from Plaintiffs.

254. Throughout the relevant period, Defendants repeatedly misrepresented to Plaintiffs through fraudulent statements and omissions that the inflated prices reflected actual market conditions.

██████ The conspiracy alleged herein was fraudulently concealed by Defendants by various means and methods, including, but not limited to, (1) surreptitious communications between Defendants via the wires (telephones, emails, text messages and other electronic communications) and in-person meetings at trade association meetings (and elsewhere) in order to prevent the existence of written records, (2) limiting any explicit reference to competitor pricing communications in documents, and (3) concealing the existence and nature of their competitor and

price discussions from non-conspirators (including customers), including by using their personal email accounts for business purposes. [REDACTED]

[REDACTED]

[REDACTED]

[REDACTED] Defendants used code words to conceal their conspiracy. At least as early as January 1, 2020, participants cryptically used the terminology “up” or “not up” to depict whether the Defendants were implementing a coordinated price increase. [REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

257. Defendants affirmatively and falsely attributed rising prices to, among other things, increases in the price of inputs and market conditions designed to misleadingly and falsely portray the market as a competitive one. [REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED] Defendants used those and other pretexts to cover up the conspiracy. In fact, the price increases were the result of Defendants' collusive conduct, which was undisclosed at the time.

258. While falsely justifying to their customers that price increases were due to increased raw material costs including PVC resin, Defendants secretly knew that price increases were not attributable to resin costs. [REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

259. Defendants used personal emails and fictional email addresses to communicate pricing intentions in order avoid detection. [REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED] leading to the reasonable conclusion that Todd

deleted the received email after forwarding it to her personal email account. Defendants also made efforts to hide their collusive activity. [REDACTED]

[REDACTED] Defendants took affirmative steps to conceal their communications and in so doing, revealed their consciousness of guilt. [REDACTED]

261. OPIS does not maintain or promote a public presence beyond advertising on its website. The OPIS Reports' pricing and market intelligence for PVCs and Fittings were not available to the public. Not only is a subscription necessary to access the data, OPIS requires that prospective customers, including those that subscribed to the OPIS Reports, apply for a subscription, and OPIS does not list its subscription fees publicly. Potential subscribers must contact OPIS for pricing information that they can obtain only if and when their application is approved. [REDACTED]

262. In summary, by virtue of Defendants and all of their Co-Conspirators actively and intentionally concealing their above-described wrongful conduct, the running of any applicable statute of limitations has been (and continues to be) tolled and suspended with respect to Plaintiffs' claims and causes of action resulting from the Defendants' unlawful conspiracy alleged in this Complaint under the fraudulent concealment doctrine and/or doctrine of equitable estoppel.

IX. THE STRUCTURE AND CHARACTERISTICS OF THE MARKET SUPPORT THE EXISTENCE OF A CONSPIRACY

263. The structure and other characteristics of the market have made it conducive to anticompetitive conduct among Defendants and have made collusion particularly tempting and feasible.

A. Opportunities to Collude at Trade Association Meetings

264. The Converter Defendants were and are members of numerous trade associations, whose routine meetings gave the Converter Defendants myriad opportunities to collude. Specifically, the primary trade associations giving the Converter Defendants such opportunities include or included: (a) the Uni-Bell PVC Pipe Association ("PVCPA"); (b) the Plastic Pipe and Fittings Association ("PPFA"); and (c) the Plastics Pipe Institute ("PP Institute").

265. **PVCPA:** Defendants Atkore, Diamond, IPEX, PipeLife Jet Stream, JM Eagle, National, Northern/Ottertall, Sanderson, Vinyltech/Ottertall and Westlake are PVCPA members. According to Bruce Hollands, the executive director of PVCPA, "The pipe producers, which represent 95 percent of the PVC pipe manufacturing capacity in North America, are the biggest contributors to the association All the major PVC pipe converters are members of the association."

266. The PVCPA conducts annual multi-day meetings and other events through which Converter Defendants can communicate with one another in person, and Converter Defendants' high-level executives regularly attend these events and socialize during dinners and golf outings.

267. In 2022, the PVCPA annual meeting was held on April 4-6, 2022 at the Ponte Vedra Inn & Club in Ponte Vedra Beach, Florida. Attendees included: Skip Yentes (VP of sales and Marketing), Dennis Bauer and John Britton (CEO) attended for Diamond Plastics; Travis Lutes (President) attended from IPEX; Chuck Clark (Vice President of Operations) and Gilbert Barcia attended for JM Eagle; David Culbertson, Matt Siegel and John Sinowitz attended for National Pipe; Chad Wilkson (General Manager) and Wayne Voorhees (Vice President of Manufacturing), Louie Bold and Jerry Shaver attended for PipeLife Jet Stream; Eric Howard (President) attended for Sanderson Pipe; and Andre Battistin attended for Westlake.

268. In 2023, the annual meeting was held March 20-22, 2023 at the Curio Collection by Hilton in Key West, Florida. Attendees included: Skip Yentes (VP of sales and Marketing), Dennis Bauer and John Britton (CEO) for Diamond Plastics; Travis Lutes (Management President) and Larry Gill (manager of codes and standards) for IPEX; Chuck Clark (Vice President of Operations), Gilbert Garcia, and Scott Berry for JM Eagle; Matt Siegel (President), John Sinowitz and James Blazick for National Pipe; Andy Hall, Charles Smith, Jerry Shaver, Chad Wilkinson and Wayne Voorhees (Vice President of Manufacturing) for PipeLife Jet Stream; Eric Howard (President) for Sanderson Pipe; and Andre Battistin (Vice President of Pipe and Fittings), Keith Moggach (National Manager for Specification Engineering), and John Hampton for Westlake.

269. In 2024, the annual meeting was held February 26-28 at the Los Suenos Marriott Ocean & Golf Resort in Costa Rica. Attendees included: Jeff Sherman (Vice President and General

Manager) and Michael Deneen (VP of Sales for PVC and HDPE products) for Atkore; Skip Yentes (VP of sales and Marketing) and John Britton (CEO) for Diamond Plastics; Travis Lutes (Management President) and Larry Gill (manager of codes and standards) for IPEX; Chuck Clark (Vice President of Operations) for JM Eagle; Matt Siegel (President), Randy Sackewitz and Josh Funderburk (Head of Strategic Sourcing) for National Pipe; Terry Mitzel (President of Plastic Segment) and John Abbott (Senior Vice President) for Otter Tail; Zoran Davidovski, Chad Wilkson (General Manager) and Wayne Voorhees (Vice President of Manufacturing) for PipeLife Jet Stream; Eric Howard (President) for Sanderson Pipe; and Andre Battistin (Vice President of Pipe and Fittings), Keith Moggach (National Manager for Specification Engineering), Veso Sobot (Director of Corporate Affairs) for Westlake.

270. Executives from Converter Defendants have served on the PVCPA Board of Directors during the Class Period, including:

- a. Matt Siegel, Vice President Sales, National Pipe;
- b. Eric Howard, President, Sanderson Pipe;
- c. Chuck Clark, Director of Productions, JM Eagle;
- d. John E. Britton, President & CEO, Diamond;
- e. Andre Battistin, Vice President, Westlake;
- f. Travis Lutes, President & Chief Operating Officer, Ipex;
- g. Veso Sobot, Director of Corporate Affairs, Ipex;
- h. Wayne Voorhees, Vice President of Manufacturing, PipeLife Jet Stream; and
- i. Jeff Sherman, Vice President & General Manager, Atkore.

271. Upon information and belief, CEOs and top-level executives from Converter Defendants attending PVCPA events discuss topics with one another relating to pricing,

production, sales, and other non-public, proprietary information in a number of informal settings. These regular, informal, and in-person opportunities to discuss pricing, sales, and production in the PVCP industry give CEOs and top-level executives comfort that their competitors have remained committed to a plan to artificially raise the prices of PVCs.

272. **PPFA:** Defendants Atkore, Cantex, IPEX, Jet Stream, JM Eagle, National Pipe, Prime, NAPCO/Westlake, and Sanderson are also members of the Plastic Pipe and Fittings Association (“PPFA”). The PPFA holds two meetings per year, attended by most of the Defendant Converters. In 2021, the spring meeting was held from March 7-9, 2021 at the Loews Ventana Canyon Resort in Tucson, Arizona, while the fall meeting was held October 3-5, 2021 at the Ritz Carlton on Amelia Island, Florida. In 2022, the spring meeting was held March 6-8, 2022 at the Hyatt Regency in Indian Wells, California, while the fall meeting was held October 2-4, 2022 at The Broadmoor in Colorado Springs, Colorado. In 2023, the spring meeting was held March 5-7, 2023 at the Loews Ventana Canyon Resort in Tucson, Arizona, while the fall meeting was held October 1-3, 2023 at the Ritz Carlton in Naples, Florida. The PPFA also held spring and fall meetings in 2024.

273. **PP Institute:** The Plastics Pipe Institute (“PP Institute”) is the major North American manufacturers trade association of advocacy and education for plastics use in pipe, conduit, and infrastructure. Defendants Atkore, JM Eagle, and IPEX are members. PP Institute holds two meetings per year a “semi-annual” meeting in the fall, and an “annual” meeting in the spring. In 2021, the annual meeting was September 26-29, 2021 in Plano, Texas. In 2022, the annual meeting was May 15-18, 2022 in Scottsdale, Arizona, and the semi-annual meeting was October 16-19, 2022 in Louisville, Kentucky. In 2023, the annual meeting was May 9-12, 2023 in Maui, Hawaii, and the semi-annual meeting was October 15-18, 2023 in Nashville, Tennessee.

The PP Institute also held spring and fall meetings in 2024.

274. Several other trade associations also provided the Converter Defendants the chance to meet and collude, including:

- a. The **Vinyl Institute** was founded in 1982 and is a United States trade organization representing the leading manufacturers of vinyl, vinyl chloride monomer, and vinyl additives and modifiers. The Vinyl Institute claims that it “serves as the voice for the PVC/vinyl industry, engaging industry stakeholders in shaping the future of the vinyl industry.” The Vinyl Institute is also part of the Global Vinyl Council, which includes other country/regional PVC resin manufacturer trade associations. The four “full” members of the Vinyl Institute are Converter Defendant Westlake and the owners of Converter Defendant JM Eagle.
- b. The **Irrigation Association** was established in 1949 and is the leading membership organization for irrigation equipment and system manufacturers, dealers, distributors, designers, consultants and contractors in the United States. Converter Defendants Atkore, Westlake Pipe & Fittings, JM Eagle, and IPEX are members. The Irrigation Association hosts regular conferences and seminars for its members, including the Irrigation Show and Education Week, which “brings the brightest minds and latest innovations in irrigation to one place.” In 2021, Converter Defendants JM Eagle and IPEX attended and were exhibitors at the annual trade show which took place from December 6-10 in San Diego, California. In 2022, Converter Defendants JM Eagle, IPEX, and Westlake attended and were exhibitors at the trade show which took place from December 5-9 in Las Vegas, Nevada. In 2023, Defendants Atkore, JM Eagle, IPEX, and Westlake all attended and were

exhibitors at the trade show which took place from November 27 to December 30 in San Antonio, Texas.

- c. The **National Electrical Manufacturers Association** (“NEMA”) was founded in 1926 and is a trade association of electrical equipment manufacturers in the United States that advocates for the industry and publishes standards for electrical products, including PVCs. Converter Defendants Atkore, Cantex, IPEX, and Southern Pipe are members. NEMA hosts over 100 in-person and virtual events every year, including its members-only on-site annual conference.
- d. The **National Association of Electrical Distributors** (“NAED”) was founded in 1969 and is a trade association of companies involved in the distribution of electrical equipment in the United States. Converter Defendants Atkore, Cantex, IPEX, Prime Conduit, and Southern Pipe are members. According to NEAD, their association is the “dominate source of networking for the nation’s distributors and their affiliates,” and provides these networking opportunities through approximately 20 meetings and conferences a year, including an on-site annual conference.

B. The Supply Side of the Market Is Highly Concentrated, and the Converter Defendants Are the Dominant Firms

275. The presence of a small group of major sellers is one of the conditions that the United States Department of Justice (“DOJ”) has identified as being favorable to collusion. Put differently, a highly concentrated market is more susceptible to collusion and other anticompetitive practices than less concentrated markets.

276. Defendant Atkore’s President, William Waltz, explained at Citi’s Global Industrial Tech and Mobility Conference in February 2024 that “both industry consolidation” and “our

acquisitions” have increased Atkore’s margin and pricing power. Specifically, in 2013, “there was at least . . . a dozen PVC [pipe] competitors,” but since that time, Atkore “bought those companies up and rolled up the industry or our other competitors.”

277. Here, Converter Defendants control more than 95% of the PVCPs sold in the United States. Because the manufacture of PVCPs is highly concentrated, with the Converter Defendants controlling most of the production, this market is highly susceptible to collusion.

C. Barriers to Entry Are High

278. A collusive arrangement that raises product prices above competitive levels would, under basic economic principles, attract new entrants seeking to benefit from supra-competitive pricing. When, however, there are significant barriers to entry, new entrants are much less likely to enter the market.

279. There are high barriers to entry to effectively compete in the manufacture of PVCPs, and Fittings including the following: (a) the time and cost associated with effectively scaling manufacturing operations (*i.e.*, building new production and storage facilities in closer proximity to purchasers); (b) the research and development investment required to develop new products and then support their introduction into the market; (c) the sellers of the raw materials necessary to manufacture PVCPs and Fittings favor the larger, entrenched manufacturers ; and (d) the long-standing, existing relationships between converters and customers.

280. It is a three-to-four-year process to bring a new PVCP facility online. Even with available floor space in an existing manufacturing facility, it can take approximately 12 months to add new supply capacity. A new entrant into the market would face costly and lengthy start-up costs, including multi-million-dollar costs associated with building production facilities. For example, in October 2023, IPEX announced that it would build a new production facility in Pineville, North Carolina. IPEX reported that the initial cost to open the plant was \$200 million.

[REDACTED]

281. On an April 2023 earnings call, Defendant Ottertail's President and CEO, Charles McFarlane, confirmed that the industry has not "seen any new competition" because "[t]he cost of entry is pretty significant to build the PVC pipe plant."

282. Another barrier to entry for new converters is a structural one. It is difficult for new converters to obtain the licensing and engineering of products needed to ensure PVCPs and Fittings meet building codes. [REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

283. The high barriers to entry make it unlikely that supra-competitive prices would result in new competitors entering the market. These high barriers to entry also make the market more susceptible to collusion.

D. The Demand Side of the Market Is Unconcentrated

284. The unconcentrated nature of the demand side of the market also makes this market susceptible to collusion.

285. For example, over 40,000 utilities in North America use PVCPs and Fittings. Such a large number of buyers, each of which has a small share of the total marketplace, means that

there is less incentive for the Converter Defendants to cheat on collusive pricing arrangements, since each potential additional sale is small while the risk of disrupting the collusive pricing agreement carries large penalties.

E. Demand Is Inelastic

286. Industries with inelastic demand are more susceptible to cartel behavior because of the potential for large increases in revenue resulting from the higher cartel prices. There are three primary characteristics that demonstrate the inelasticity of demand : (a) a lack of substitute goods, (b) the essential nature of PVCs and Fittings, and (c) PVCs and Fittings being a relatively small portion of the overall cost of the final good.

287. The DOJ has also recognized that standardized products that lack substitutes is a condition favorable to collusion, as substitute goods cannot restrain price increases and temper the effects of a price-fixing conspiracy.

288. Purchasers of PVCs and Fittings do not generally view them as interchangeable with other products, nor do purchasers view other products as being substitutes for other kinds of piping and fittings. Both PVCs and Fittings are commodity products, sold primarily on price, which is the most important factor in a purchasing decision made by Plaintiffs and members of the Class.

289. PVC and Fittings have no functional substitute for the vast majority of their commercial uses. More specifically, there is no functional substitute for plumbing and municipal PVCs because they have several properties, in addition to size/weight ratio, that other pipes cannot replicate, including: a lifespan estimated at 100 years or more; drastically reduced failure rates; a reduced water pumping rate, thus reducing energy consumption over its prolonged lifespan; high resistance to changes in temperature; and an imperviousness to rust and other types of water-based corrosion.

290. Similarly, there is no functional substitute for PVC electrical conduits, which have several properties apart from size/weight ratio that other pipes cannot replicate, including: the ability to be easily cut and bent, making installation more efficient; protection from corrosion; not inherently conductive to electricity like many metal pipes; and a lower thermal conductivity, which results in reduced heat transfer.

291. On an August 2023 earnings call, Defendant Ottertail's President and CEO Charles McFarlane described the inelastic demand for: "[P]rices have continued to stay up and stay stronger" because "the cost of the pipe [] isn't a significant component of the overall projects" and customers "need the pipe to do the projects."

X. CLASS ACTION ALLEGATIONS

292. Plaintiffs bring this action on behalf of themselves and as a class action pursuant to Federal Rules of Civil Procedure, Rule 23(a) and (b)(3), on behalf of a Class, defined as follows:

All persons and entities who purchased PVCs or Fittings in the United States and its territories directly from one or more of the Converter Defendants (or from any of the Converter Defendants' parents, predecessors, subsidiaries or affiliates) at any time from at least as early as January 1, 2020 until the effects of Defendants' anticompetitive conduct cease. Excluded from the Class are Converter Defendants, and their parents, predecessors, subsidiaries, and affiliates, any co-conspirators, and all federal government entities and instrumentalities of the federal government.

293. Plaintiffs do not know the exact number of Class members, because such information is in the exclusive control of the Converter Defendants. Plaintiffs are informed and believe that, due to the nature of the trade and commerce involved, there are at least hundreds of Class members geographically dispersed throughout the United States and elsewhere, such that joinder of all Class members in the prosecution of this action is impracticable.

294. Plaintiffs will fairly and adequately represent the interests of the Class because they directly purchased PVCs from one or more Converter Defendants, and they have no conflicts

with any other members of the Class. Furthermore, Plaintiffs have retained sophisticated and competent counsel experienced in prosecuting antitrust class actions, as well as other complex litigation.

295. Plaintiffs' claims are typical of the claims of its fellow Class members because Plaintiffs directly purchased PVCs from one or more of the Converter Defendants named herein, and Plaintiffs and all Class members were damaged by the same wrongful conduct of Defendants as alleged herein, and the relief sought herein is common to all members of the Class.

296. Numerous questions of law or fact common to the Class—including, but not limited to, those identified below—arise from Defendants' anticompetitive and unlawful conduct:

- a. Whether Defendants combined or conspired to fix, raise, maintain, or stabilize prices at any time during the Class Period to purchasers in the United States;
- b. Whether Defendants (1) shared among themselves competitively sensitive information pertaining to the production, sale, pricing, or distribution of PVCs and Fittings, (2) concertedly fixed, raised, maintained or stabilized the price of PVCs and Fittings sold at any time during the Class Period, and (3) committed other conduct in furtherance of the conspiracy alleged herein;
- c. Whether Defendants' conduct caused the prices sold at any time during the Class Period to be artificially fixed, raised, maintained, or stabilized at noncompetitive prices;
- d. Whether Plaintiffs and the other members of the Class were injured by Defendants' conduct and, if so, the appropriate Class-wide measure of damages; and
- e. Whether Plaintiffs and other members of the Class are entitled to, among other

things, injunctive relief, and, if so, the nature and extent of such relief.

297. These and other questions of law and fact are common to the Class and predominate over any questions affecting the Class members individually.

298. Defendants have acted on grounds generally applicable to the Class, thereby making final injunctive relief appropriate with respect to the Class as a whole.

299. This class action is superior to alternatives, if any, for the fair and efficient adjudication of this controversy. Prosecution of the claims pleaded herein as a class action will eliminate the possibility of repetitive litigation. There will be no material difficulty in the management of this action as a class action.

300. The prosecution of separate actions by individual Class members would create the risk of inconsistent or varying adjudications, establishing incompatible standards of conduct for Defendants.

XI. DEFENDANTS' ONGOING AND CONTINUING ANTITRUST VIOLATIONS

301. A continuing violation occurs where, as here, Defendants' anticompetitive conduct causes a continuing harm to Plaintiffs and members of the Class.

302. Plaintiffs and members of the Class purchased PVCPs or Fittings directly from one or more Converter Defendants, from the beginning of the Class Period until the present and will continue to do so in the future.

303. Defendants' price fixing scheme was intended to and, in fact, did inflict continuing injury, harm, and damages on Plaintiffs' and Class members businesses and property.

CLAIM **VIOLATION OF § 1 OF THE SHERMAN ACT (15 U.S.C. § 1)** **(Against All Defendants)**

304. The preceding factual statements and allegations are incorporated by reference.

305. Defendants entered into and engaged in a combination or conspiracy in

unreasonable restraint of trade in violation of Section 1 of the Sherman Act, 15 U.S.C. § 1 under either a *per se* or rule of reason framework.

306. Defendants' acts in furtherance of their combination or conspiracy were authorized, ordered, or done by their officers, agents, employees, or representatives while actively engaged in the management of Defendants' affairs.

307. At least as early as January 1, 2020, and continuing until present, Defendants entered into a continuing agreement, understanding and conspiracy in restraint of trade to fix, raise, stabilize, and maintain prices for PVCs and Fittings, thereby creating anticompetitive effects.

308. Defendants' anticompetitive acts had a direct, substantial, and foreseeable effect on interstate commerce by raising and fixing prices for PVCs and Fittings throughout the United States.

309. The conspiratorial acts and combinations have caused unreasonable restraints in the market .

310. As a result of Defendants' unlawful conduct, Plaintiffs and members of the Class have been harmed by being forced to pay inflated, supra-competitive prices .

311. In formulating and carrying out the alleged agreement, understanding, and conspiracy, Defendants committed the acts that they combined and conspired to commit, including but not limited to the acts, practices, and course of conduct set forth in this Complaint. Defendants' conspiracy had the following effects, among others:

- A. Price competition in the market for PVCs and Fittings has been restrained, suppressed, and/or eliminated in the United States;
- B. Prices for PVCs and Fittings sold by Converter Defendants, their divisions, subsidiaries, and affiliates, have been fixed, raised, stabilized, and maintained at artificially high, non-competitive levels throughout the United States; and

- C. Plaintiffs and members of the Class have directly purchased PVCs and Fittings from one or more Converter Defendants, their divisions, subsidiaries, and affiliates, and have been deprived of the benefits of free and open competition.

312. Defendants took all of the actions alleged in this Complaint with the knowledge and intended effect that their actions would proximately cause the price of PVCs and Fittings to be higher than it would be but-for Defendants' conduct.

313. As a direct and proximate result of Defendants' anticompetitive conduct, Plaintiffs and members of the Class have been and continue to be injured in their businesses or property by paying more for PVCs and Fittings than they would have paid or will pay in the absence of the conspiracy.

XII. RELIEF REQUESTED

WHEREFORE, Plaintiffs respectfully request the Court to certify this action as a class action, appoint them as the class representatives, represented by Court-appointed Lead Counsel. Plaintiffs further request that Defendants be cited to appear and answer this action, and, upon final trial or hearing, judgment be entered that the above-described price-fixing scheme, and the above-described wrongful and anticompetitive acts engaged in by Defendants in furtherance thereof, violated Sections 1 of the Sherman Act, 15 U.S.C. § 1; and further, judgment be entered in favor of Plaintiffs and members of the Class, and against Defendants, as follows:

The unlawful conduct, conspiracy or combination alleged herein be adjudged and decreed a *per se* violation of Section 1 of the Sherman Act, or in the alternative, an unreasonable restraint of trade, in violation of Section 1 of the Sherman Act;

Plaintiffs recover damages for themselves and the Class to the maximum extent allowed under federal antitrust laws, and a joint and several judgment in favor of Plaintiffs and the Class be entered against Defendants in an amount to be trebled under U.S. antitrust laws;

Plaintiffs and the Class be awarded pre- and post- judgment interest as provided by law, and such interest be awarded at the highest legal rate from and after the date of service of this Complaint;

Plaintiffs and the Class recover their costs of suit, including reasonable attorneys' fees, as provided by law;

Enter an order prohibiting and permanently enjoining Defendants, their affiliates, successors, transferees, assignees and other officers, directors, partners, agents and employees thereof, and all other persons acting or claiming to act on their behalf or in concert with them, from in any manner continuing, maintaining or renewing the conduct, conspiracy, or combination alleged herein, or from entering into any other conspiracy or combination having a similar purpose or effect, and from adopting or following any practice, plan, program, or device having a similar purpose or effect; and

Plaintiffs and the Class have such other and further relief as the case may require and the Court may deem just and proper.

Dated: August 18, 2025

Respectfully submitted,

/s/ Robert N. Kaplan

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