

## **BAA EXECUTIVE**

### **Press abstract**

From September *Quarry Management*

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### **Argument continues over cement investigation**

THE British Aggregates Association (BAA) and British Cement Association (BCA) are continuing to disagree over the BAA's ongoing investigation into the UK cement market, with both parties issuing statements rejecting each other's claims.

Earlier this year the BAA brought in specialist firm Cartel Damage Claims (CDC) to look into allegations that the UK cement market is not operating properly, a move it says was brought about by a number of complaints from BAA members about material shortages, high prices and a perceived lack of genuine competition among suppliers.

However, in a recent statement, BCA chief executive Mike Gilbert described the BAA's ongoing action over the suggestion of anti-competitive behaviour in the cement industry as 'unfounded, without substance and just plain wrong'. Expressing his disappointment that the BAA had opted to continue 'this programme of innuendo', he said: 'We are not surprised that they have yet to reach any firm conclusions, as the BCA has absolutely no evidence that the cement market is functioning anything other than properly.'

In response to the Statement, the BAA hit back by accusing the BCA of demonstrating 'an in-depth knowledge of end-user prices that is not normal for a manufacturers' trade association'. BAA director Robert Durward said: 'Not only is this possibly illegal, it raises questions about their right to be treated as a bona-fide trade association in the first place.'

Mr Durward also rebutted the BCA's allegations that the BAA had got their figures wrong by claiming German cement prices were much cheaper as they were ex-works and not delivered prices. He said that CDC had evidence which showed that, although German prices have risen steeply during 2007, they are still only around €62 per tonne delivered compared with €100 (or more) in the UK.

Mr Durward added: 'The CDC investigation is ongoing and will probably run until early next year. However, significant anomalies and patterns of behaviour have already emerged and the end result promises to be interesting'