

UNITED STATES DISTRICT COURT  
SOUTHERN DISTRICT OF GEORGIA  
SAVANNAH DIVISION

UNITED STATES OF AMERICA            )   CR 420-81  
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JAMES CLAYTON PEDRICK                )

**PLEA AGREEMENT**

Defendant James Pedrick, represented by his counsel Nicholas A. Lotito, Esq., Seth D. Kirschenbaum, Esq., and Harry D. Dixon, Jr., Esq., and the United States of America, represented by Assistant United States Attorneys Karl Knoche and E. Greg Gilluly, Jr., and Department of Justice Antitrust Division Trial Attorneys Patrick Brown and Julia Maloney, have reached a plea agreement in this case. The terms and conditions of that agreement are as follows.

**1. Guilty Plea**

Defendant agrees to enter a plea of guilty to Count One of the Indictment, Conspiracy in Restraint of Trade, in violation of Title 15, United States Code, Section 1.

**2. Elements and Factual Basis**

The elements necessary to prove the offense charged in Count One are:

- First:**       The charged conspiracy was knowingly formed and was in existence at or about the time alleged;
- Second:**     The defendant knowingly joined the charged conspiracy; and
- Third:**       The charged conspiracy either substantially affected interstate or foreign commerce or occurred within the flow of interstate or foreign commerce.

  
\_\_\_\_\_  
Defendant's Initials

Defendant agrees that he is, in fact, guilty of this offense. He agrees to the accuracy of the following facts, which satisfy each of the offense's required elements:

- a) Beginning at least as early as 2010 and continuing until in or about July 2016 (the "relevant period"), in the Southern District of Georgia and elsewhere, the Defendant, James Clayton Pedrick, along with other co-conspirators, including Gregory Hall Melton ("Greg Melton), John David Melton ("David Melton"), Timothy "Bo" Strickland ("Bo Strickland"), and Evans Concrete, LLC ("Evans Concrete"), knowingly entered into and engaged in a combination and conspiracy to suppress and eliminate competition by fixing prices, rigging bids, and allocating markets for sales of ready-mix concrete. The combination and conspiracy engaged in by the Defendant and other co-conspirators was a *per se* unlawful, and thus unreasonable, restraint of interstate trade and commerce in violation of Section One of the Sherman Act (15 U.S.C. § 1).
- b) During the relevant period, Evans Concrete, Argos USA LLC ("Argos"), and Company-2 were suppliers of ready-mix concrete in the Southern District of Georgia and elsewhere. Evans Concrete and Company-2 are headquartered in and operated out of the Southern District of Georgia.
- c) During the relevant period, the Defendant was a cement salesman for Argos in its Pooler, Georgia, office, selling cement to ready-mix concrete suppliers in the Southern District of Georgia and elsewhere, including South Carolina.

- d) During the relevant period, Greg Melton was division manager of ready-mix concrete sales for Argos in its Pooler, Georgia, office.
- e) From approximately 2007 and continuing until approximately 2015, David Melton was general manager for Company-2.
- f) During the relevant period, Bo Strickland was, at different times, owner, president, area manager, plant manager, and salesperson for Evans Concrete.
- g) The Defendant, along with his co-conspirators, including Greg Melton, David Melton, Bo Strickland, and Evans Concrete, participated in a conspiracy to suppress and eliminate competition by fixing prices, rigging bids, and allocating markets for sales of ready-mix concrete.
- h) The purpose of the conspiracy, as the Defendant knew, was to increase and maintain prices of ready-mix concrete in the greater Savannah, Georgia, area, which included Savannah, Georgia; Hilton Head Island, South Carolina; Rincon, Georgia; Richmond Hill, Georgia; and Statesboro, Georgia.
- i) In furtherance of the conspiracy, the conspirators—including Greg Melton, acting on behalf of Argos; David Melton, acting on behalf of Company-2; and Bo Strickland, acting on behalf of Evans Concrete—exchanged price-increase letters—in advance of sending their price-increase letters to customers—to ensure that the conspirator-companies announced and implemented similar price increases at similar times.

- j) In furtherance of the conspiracy, the conspirators agreed to allocate specific ready-mix concrete jobs, including but not limited to allocation of jobs between Greg Melton of Argos and Bo Strickland of Evans Concrete.
- k) In furtherance of the conspiracy, the Defendant acted as a conduit and messenger between and among his co-conspirators—including Greg Melton, acting on behalf of Argos; David Melton, acting on behalf of Company-2; and Bo Strickland, acting on behalf of Evans Concrete—to exchange price-increase letters and other pricing and job-related information for the purpose of coordinating price increases, rigging bids, and allocating jobs.
- l) In an attempt to conceal the conspiracy and in furtherance of the conspiracy, the conspirators—including Greg Melton, acting on behalf of Argos; David Melton, acting on behalf of Company-2; and Bo Strickland, acting on behalf of Evans Concrete—used the Defendant as a conduit and messenger to facilitate communications between and among themselves, rather than communicating with each other directly.
- m) The conspirator companies—including Argos, Evans Concrete, and Company-2—competed for business with mutual customers in the greater Savannah, Georgia, area, including customers that did business in both Savannah, Georgia, and Statesboro, Georgia.
- n) The Defendant's participation in the conspiracy continued until he was terminated by Argos in July 2016.



o) During the relevant period, the business activities of the Defendant and his co-conspirators in connection with ready-mix concrete that are the subject of Count One of the Indictment, were within the flow of, and substantially affected, interstate trade and commerce.

**3. Possible Maximum Sentence**

Defendant's guilty plea will subject him to the following maximum possible sentence:

- Not more than ten (10) years of imprisonment;
- Not more than three (3) years of supervised release;
- A fine of not more than the greatest of (1) \$1,000,000, (2) twice the gross pecuniary gain derived from the offense, or (3) twice the gross pecuniary loss to any person other than the defendant resulting from the offense (15 U.S.C. § 1; 18 U.S.C. § 3571(b) and (d)); and
- Such restitution as may be ordered by the Court.

The Court additionally must impose a \$100 special assessment.

**4. 11(c)(1)(C) Agreement Regarding Sentence**

Pursuant to Fed. R. Crim. P. 11(c)(1)(C) and subject to the full, truthful, and continuing cooperation of Defendant, as defined in Paragraph 9(a) of this Plea Agreement, and the United States filing a motion pursuant to U.S.S.G. § 5K1.1, the United States and Defendant agree the appropriate sentence is a term of probation that does not include as conditions remaining in the custody of the Bureau of Prisons for any period of time (18 U.S.C. § 3563(b)(10)) or residing at a community corrections facility (18 U.S.C. § 3563(b)(11)) (the "Recommended Sentence"). The Court will have the discretion to set the length of probation, other conditions of

probation, and the appropriate fine. The parties agree that the Recommended Sentence is reasonable.

The United States and Defendant agree that the applicable Guidelines imprisonment range exceeds the term contained in the Recommended Sentence. Subject to the full, truthful, and continuing cooperation of Defendant, as defined in Paragraph 9(a) of this Plea Agreement, and prior to sentencing in this case, the United States agrees that it will make a motion, pursuant to U.S.S.G. §5K1.1, for a downward departure from the Guidelines imprisonment range(s) in this case and will request that the Court impose the Recommended Sentence because of Defendant's substantial assistance in the United States's investigation and prosecutions of violations of federal criminal law in the ready-mix concrete industry.

Subject to the full, truthful, and continuing cooperation of Defendant, and prior to sentencing in this case, the United States will fully advise the Court and the Probation Office of the fact, manner, and extent of Defendant's cooperation and his commitment to prospective cooperation with the United States' investigation and prosecutions, all material facts relating to Defendant's involvement in the charged offense, and all other relevant conduct.

The parties agree to waive any "Speedy Trial Rights" or other applicable constitutional, statutory, or procedural rights, and agree that Defendant shall be sentenced by the Court after Defendant completes his cooperation so the United States and the Court can have a complete understanding of Defendant's cooperation.



The Court may accept or reject the plea agreement. If the Court accepts the plea agreement, the Court must sentence Defendant in accordance with the Recommended Sentence. If the Court rejects the plea agreement, the Court must allow Defendant the opportunity to withdraw his plea and must advise Defendant that if he persists in a guilty plea, the disposition of the case may be less favorable to Defendant than is contemplated by this Plea Agreement.

**5. Agreements Regarding Sentencing Guidelines**

The parties have reached the below agreements regarding the Sentencing Guidelines but acknowledge that the Court will determine the relevant advisory range under the Sentencing Guidelines. Any inconsistency between the Court's Guidelines determination and the parties' Guidelines agreements is not a basis to void the Plea Agreement or permit Defendant to withdraw his guilty plea, so long as the sentence imposed is consistent with the Recommended Sentence.

The United States and Defendant agree that the base offense level for this offense is 12 (U.S.S.G. § 2R1.1(a)).

The United States and Defendant agree that a 6-level enhancement is appropriate because the volume of affected commerce for this offense is \$83,433,397 ((\$50 – \$100M) (U.S.S.G. § 2R1.1(b)(2)).

The United States and Defendant agree that a 1-level enhancement is appropriate because the offense involved an agreement to submit non-competitive bids (U.S.S.G. § 2R1.1(b)(1)).

The United States will not oppose Defendant's request for a 2-level reduction for playing a mitigating role as a minor participant in the offense (U.S.S.G. § 3B1.2(b)).

The United States and Defendant agree that there exists no aggravating or mitigating circumstance of a kind, or to a degree, not adequately taken into consideration by the U.S. Sentencing Commission in formulating the Sentencing Guidelines justifying a departure pursuant to U.S.S.G. §5K2.0.

The United States and Defendant agree that Defendant qualifies for a 3-level reduction for acceptance of responsibility (U.S.S.G. § 3E.1.1).

**6. Use of Information**

The United States is free to provide full and accurate information to the Court and U.S. Probation Office for use in calculating the applicable Sentencing Guidelines range. Any incriminating information provided by Defendant during his cooperation will not be used in determining the applicable Guidelines range, pursuant to U.S.S.G. § 1B1.8.

**7. Court's Use of Sentencing Guidelines**

Defendant understands that although this plea is being presented as a Fed. R. Crim. P. 11(c)(1)(C) plea that is binding on the Court, if accepted, the parties recognize the Court's duty to consider the advisory Sentencing Guidelines in determining and imposing sentence.

The United States and Defendant agree there is no *ex post facto* issue under the November 2021 Guidelines Manual. The Court must also consider the other



factors set forth in 18 U.S.C. § 3553(a) in determining and imposing sentence. Defendant understands that the Court will make Guidelines determinations by applying a standard of preponderance of the evidence. Defendant understands that although the Court is not ultimately bound to impose a sentence within the applicable Guidelines range, its sentence must be reasonable based upon consideration of all relevant sentencing factors set forth in 18 U.S.C. § 3553(a). Pursuant to U.S.S.G. §1B1.8, the United States agrees that self-incriminating information that Defendant provides to the United States pursuant to this Plea Agreement will not be used to increase the volume of affected commerce attributable to Defendant or in determining Defendant's applicable Guidelines range, except to the extent provided in U.S.S.G. §1B1.8(b).

**8. Dismissal of Other Counts**

At sentencing, the United States will move to dismiss the other count of the Indictment that remains pending against Defendant.

**9. Cooperation**

**a. Complete and Truthful Cooperation Required**

Defendant must provide full, complete, candid, and truthful cooperation in the investigation and prosecution of the offenses charged in his Indictment and any related offenses. Defendant shall fully and truthfully disclose his knowledge of those offenses and shall fully and truthfully answer any question put to him by law enforcement officers about those offenses.

This agreement does not require Defendant to “make a case” against any particular person. His benefits under this agreement are conditioned only on his cooperation and truthfulness, not on the outcome of any trial, grand jury, or other proceeding.

**b. Motion for Reduction in Sentence Based on Cooperation**

The United States, in its **sole discretion**, will decide whether Defendant’s cooperation qualifies as “substantial assistance” pursuant to U.S.S.G. § 5K1.1 and thereby warrants the filing of a motion for downward departure or reduction in Defendant’s sentence. If such a motion is filed and the Court accepts this plea agreement, the Court must impose the Recommended Sentence, pursuant to Fed. R. Crim. P. 11(c)(1)(C). If the United States does not file such a motion, the Court shall not be bound by the Recommended Sentence in sentencing Defendant.

**10. Financial Obligations and Agreements**

**a. Required Financial Disclosures**

Within thirty (30) days of the entry of the guilty plea, Defendant shall complete a financial disclosure form listing all of his assets and financial interests, whether held directly or indirectly, solely or jointly, in Defendant’s name or in the name of another. Defendant shall sign the financial disclosure form under penalty of perjury and provide that form to the Financial Litigation Unit of the United States Attorney’s Office and to the United States Probation Office. Defendant authorizes the United States to obtain credit reports on him and to share the contents of those reports with the Court and the United States Probation Office.

Defendant also authorizes the United States to inspect and copy all financial documents and information held by the United States Probation Office.

**b. Financial Examination**

Defendant will submit to an examination under oath on the issue of his financial disclosures and assets if deemed necessary by the United States. Such examination will occur not later than sixty (60) days before sentencing.

**c. Restitution**

In light of the availability of civil causes of action, which potentially provide for a recovery of a multiple of actual damages, the Recommended Sentence does not include a restitution order for the offense charged in Count One of the Indictment.

**d. Special Assessment**

Defendant agrees to pay a special assessment in the amount of \$100, payable to the Clerk of the United States District Court, which shall be due immediately at the time of sentencing.

**e. Enforcement**

Any payment schedule imposed by the Court is without prejudice to the United States to take all actions and remedies available to it to collect the full amount of the financial obligations imposed by the judgment of the Court in this case. Defendant understands and agrees that the financial obligations imposed by the judgment of the Court in this case will be placed on the Treasury Offset Program so that any federal payment that Defendant receives may be offset and

applied to the judgment debt without regard to or affecting any payment schedule imposed by the Court.

**11. Waivers**

**a. Waiver of Appeal**

Defendant entirely waives his right to a direct appeal of his conviction and sentence on any ground (including any argument that the statute to which Defendant is pleading guilty is unconstitutional or that the admitted conduct does not fall within the scope of the statute). The only exceptions are that Defendant may file a direct appeal of his sentence if (1) the court enters a sentence above the statutory maximum; (2) the court enters a sentence above the advisory Sentencing Guidelines range found to apply by the court at sentencing; (3) the United States appeals the sentence; or (4) the United States fails to file a U.S.S.G. § 5K1.1 motion, and Defendant maintains he provided “substantial assistance” that warranted the filing of a 5K1.1 motion by the government. Absent those exceptions, Defendant explicitly and irrevocably instructs his attorney not to file an appeal.

**b. Waiver of Collateral Attack**

Defendant entirely waives his right to collaterally attack his conviction and sentence on any ground and by any method, including but not limited to a 28 U.S.C. § 2255 motion. The only exception is that Defendant may collaterally attack his conviction and sentence based on a claim of ineffective assistance of counsel.

**c. FOIA and Privacy Act Waiver**

Defendant waives all rights, whether asserted directly or through a representative, to request or receive from any department or agency of the United States any record pertaining to the investigation or prosecution of this case under the authority of the Freedom of Information Act, 5 U.S.C. § 552, or the Privacy Act of 1974, 5 U.S.C. § 552a, and all subsequent amendments thereto.

**d. Fed. R. Crim. P. 11(f) and Fed. R. Evid. 410 Waiver**

Rule 11(f) of the Federal Rules of Criminal Procedure and Rule 410 of the Federal Rules of Evidence ordinarily limit the admissibility of statements made by a defendant during the course of plea discussions or plea proceedings. Defendant knowingly and voluntarily waives the protections of these rules. If Defendant fails to plead guilty, or his plea of guilty is later withdrawn, all of Defendant's statements in connection with this plea, and any leads derived therefrom, shall be admissible for any and all purposes. If the Court rejects this plea agreement, any statements made by Defendant in this plea agreement, in the course of any proceedings under Federal Rule of Criminal Procedure 11 regarding the guilty plea or this plea agreement, or in the course of plea discussions with an attorney for the government will not be used against Defendant for any purpose other than impeachment of any trial testimony of Defendant or as permitted by Federal Rule of Evidence 410(b).

**12. Defendant's Rights**

Defendant has the right to be represented by counsel, and if necessary, have the court appoint counsel, at trial and at every other critical stage of the proceeding. Defendant possesses a number of rights which he will waive by pleading guilty, including: the right to plead not guilty, or having already so pleaded, to persist in that plea; the right to a jury trial; and the rights at trial to confront and cross-examine adverse witnesses, to be protected from compelled self-incrimination, to testify and present evidence, and to compel the attendance of witnesses.

**13. Satisfaction with Counsel**

Defendant has had the benefit of legal counsel in negotiating this agreement. Defendant believes that his attorneys have represented him faithfully, skillfully, and diligently, and he is completely satisfied with the legal advice given and the work performed by his attorneys.

**14. Breach of Plea Agreement**

Defendant breaches this agreement if, prior to sentencing in this case, he fails to comply with any of the terms of this agreement, withdraws or attempts to withdraw his guilty plea after this plea agreement has been accepted by the Court, refuses to accept responsibility for any of his criminal conduct, obstructs justice by tampering with a witness or evidence, or commits any new crimes. If Defendant breaches the plea agreement, the United States is released from any agreement herein regarding the calculation of the advisory Sentencing Guidelines or the appropriate sentence. In addition, the United States may (1) declare the plea




agreement null and void, (2) reinstate any counts that may have been dismissed pursuant to the plea agreement, and/or (3) file new charges against Defendant that might otherwise be barred by this plea agreement. Defendant waives any statute-of-limitations or speedy-trial defense to prosecutions reinstated or commenced under this paragraph.

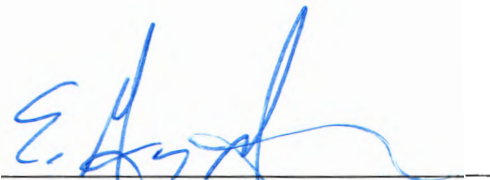
**15. Entire Agreement**

This agreement contains the entire agreement between the United States and Defendant.

JONATHAN S. KANTER  
ASSISTANT ATTORNEY GENERAL  
ANTITRUST DIVISION


JILL E. STEINBERG  
UNITED STATES ATTORNEY  
SOUTHERN DISTRICT OF GEORGIA

  
\_\_\_\_\_  
Patrick S. Brown  
Julia M. Maloney  
Trial Attorneys

  
\_\_\_\_\_  
E. Greg Gilluly, Jr.  
Assistant United States Attorney

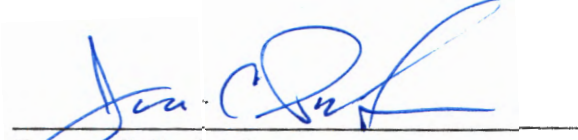
8/8/2023  
Date

8/8/2023  
Date

  
\_\_\_\_\_  
Defendant's Initials

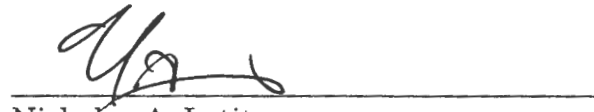
I have read and carefully reviewed this agreement with my attorney. I understand each provision of this agreement, and I voluntarily agree to it. I hereby stipulate that the factual basis set out therein is true and accurate in every respect.

8/11/23  
Date

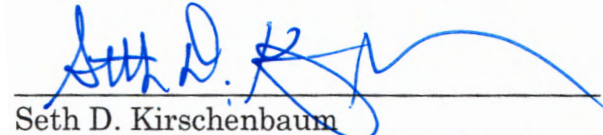
  
James C. Pedrick  
Defendant

I have fully explained to Defendant all of his rights, and I have carefully reviewed every part of this agreement with him. I believe that he fully and completely understands it, and that his decision to enter into this agreement is an informed, intelligent, and voluntary one.

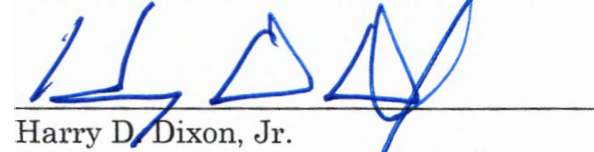
8/9/2023  
Date

  
Nicholas A. Lotito  
Counsel to Defendant James Pedrick

8/9/2023  
Date

  
Seth D. Kirschenbaum  
Counsel to Defendant James Pedrick

8/10/2023  
Date

  
Harry D. Dixon, Jr.  
Counsel to Defendant James Pedrick