

Does HUD's Own Research Roadmap Describe a Hub-and-Spoke Structure Without Naming It?

This document lays out a pattern match, not a legal conclusion. It is not legal advice or an antitrust determination — it identifies where HUD's own language and the documented ICC/NIBS/MOD X structure line up with a hub-and-spoke framework that has already been invoked, by name, in a separate complaint against ICC.

What "Hub-and-Spoke" Means

A hub-and-spoke arrangement, in antitrust terms, describes a structure where a central player (the "hub") coordinates the conduct of multiple other parties (the "spokes") who deal vertically with the hub but not necessarily directly with each other — with the hub's coordination producing an effect similar to an agreement among the spokes themselves. It is a recognized theory of liability under Sherman Act Section 1 and has been raised in FTC and DOJ enforcement actions involving standards-setting and certification bodies.

This is not a term this document introduces for the first time in connection with ICC. It was already used, by name, in a separate complaint:

"The article explicitly invokes a 'hub-and-spoke' antitrust theory, alleging ICC's standards-development role and its commercial subsidiaries' compliance/certification role are improperly intertwined, and cites potential Sherman Act/Clayton Act/FTC Act concerns."
— **Summary of Janet Thome, Tiny House Alliance USA, MHProNews, Dec. 15, 2025 (submitted source document)**

What HUD's Own Report Recommends — In Its Own Words

Separately, and without reference to antitrust theory, HUD's Research Roadmap lists this as one of a small number of research items directed specifically at HUD:

"Vertical Integration: Research the particulars of vertical integration for offsite construction to determine the benefits, challenges, opportunities, and obstacles, and share successful models domestically and internationally, for offsite construction." — **Offsite Construction for Housing: Research Roadmap, HUD PD&R (2023), Key Takeaway 7**

The report's own narrative section explains what this vertical integration looks like in practice:

"Vertical integration combines services and products in a supply chain to provide greater end value. Internationally, companies in Sweden and Japan have found business success in vertically integrating portions or entire supply chain operations for offsite construction of housing into a turnkey delivery solution, whereby housing is delivered to the end developer or sold to the homebuyer ready for occupancy." — **Research Roadmap, Section 2.1.6**

"In the United States, companies are migrating upstream and downstream the supply chain to provide additional services and products in offsite construction. For example, offsite manufacturers can take on design and development services or onsite assembly services. Similarly, developers may become GCs for offsite construction projects specifically, and material manufacturers may move downstream and provide manufacture and supply subassemblies with their material products." — **Research Roadmap, Section 2.1.6**

Laying the Two Side by Side

Hub-and-Spoke Element	What's Documented in This Record
The hub	ICC — writes the codes (IRC, IBC), owns the dominant evaluation service (ICC-ES), and (via the 2019 NTA acquisition) owns HUD-approved manufactured-housing inspection infrastructure (ICC-NTA).
The hub's governing layer	NIBS — holds sole-source federal contracting authority (Public Law 93-383), created its own Offsite Construction Council in 2013, and shares board/staff with ICC (Sims, Hudgison, Colker).
The vertical spokes	The individual offsite manufacturers, developers, and GCs the Research Roadmap itself describes as "migrating upstream and downstream the supply chain" — each dealing vertically with the ICC/NIBS-adjacent certification and standards apparatus, not organizing independently of it.
The coordinating mechanism	MOD X — the paid consultancy NIBS selected to write the HUD-funded research recommending both the vertical-integration study and the federally sanctioned certification program that would sit at the center of that vertical structure.
The federal amplifier	HUD funding and a proposed "federally sanctioned housing system certification program," which would give the hub's standards federal legitimacy and, per the report's own Standard Award Criteria strategy, a funding advantage over projects that don't route through it.

Why This Might Not Be Intentional — and Why That Doesn't Resolve It

Nothing in the Research Roadmap or the Action Plan suggests the authors set out to design a hub-and-spoke structure. The "Vertical Integration" research item is framed neutrally, as a business-model efficiency question, citing Sweden and Japan as success stories. That is likely how the authors understood it.

But a hub-and-spoke effect does not require intent to design it that way. It requires a central coordinating point that multiple vertically dependent parties rely on. If HUD's own recommended path — encouraging vertical integration around a certification and standards apparatus administered by an organization (NIBS) that is itself interlocked with the code body (ICC) at the center of that apparatus — is adopted as policy, the resulting market structure would resemble a hub-and-spoke arrangement whether or not anyone involved used that term or intended that outcome.

What Would Need to Happen for This to Move From Pattern to Finding

- A determination — by FTC, DOJ, or a court — of whether the ICC/NIBS/MOD X structure, combined with a federally sanctioned certification program, would function as a hub-and-spoke arrangement under Sherman Act Section 1.
- Evidence of coordination or communication between the "spokes" (manufacturers, AHJs, or other parties) facilitated by the hub, rather than mere independent reliance on the same certification body.
- An assessment of whether excluded competitors (the accredited evaluation-report providers documented elsewhere in this record) suffered concrete competitive harm as a result.

This document does not make that determination. It documents that the pieces — a named hub, a documented governance overlap, a federal funding amplifier, and a HUD-endorsed push

toward vertical integration around that same structure — are already sitting in the public record, in the government's own words and the industry's own filings.