



THE UNITED STATES
DEPARTMENT OF JUSTICE



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**TWO CONTRACTORS AND ONE FORMER CIVILIAN EMPLOYEE
SENTENCED IN BRIBERY SCHEME AT GEORGIA MILITARY BASE**

The Defendants Received 22 Years, 10 Years and Five Years in Prison Respectively

A former civilian employee and a former contractor of the Marine Corps Logistics Base (MCLB) in Albany, Georgia, as well as one outside contractor were sentenced today to prison terms for bribery and fraud arising from their handling of military trucking contracts and theft of surplus military equipment.

Assistant Attorney General Leslie R. Caldwell of the Justice Department's Criminal Division and U.S. Attorney Michael J. Moore of the Middle District of Georgia made the announcement.

Christopher Whitman, 48, of Sylvester, Georgia, co-owner of United Logistics, an Albany-based trucking company and freight transportation broker, was sentenced to 22 years in prison for his conviction of 43 counts of honest services wire fraud, five counts of bribery, five counts of obstructing justice and one count of theft of government property. Shawn McCarty, 36, of Albany, Georgia, a former employee at the MCLB-Albany, was sentenced to 10 years in prison for his conviction of 15 counts of honest services wire fraud, one count of bribery and one count of obstructing justice. Bradford Newell, 43, of Sylvester, a former contractor at the MCLB-Albany, was sentenced to five years in prison for his conviction of 13 counts of honest services wire fraud, one count of bribery, and one count of theft of government property. All three were found guilty by a jury in the Middle District of Georgia on March 3, 2015, following a five-week trial.

In addition to imposing the prison terms, the court ordered each defendant to forfeit assets reflecting losses to the government attributable to the bribery and fraud schemes. Whitman was ordered to forfeit \$18,860,313.75; McCarty was ordered to forfeit \$15,410,151.55; and Newell was ordered to forfeit \$513,600. Whitman was specifically ordered to surrender assets derived from the schemes, including more than 100 parcels of real property, several boats and vehicles, and rental income estimated to be worth more than \$14 million.

According to the evidence presented at trial, between 2008 and 2012, Whitman paid more than \$800,000 in bribes to three former officials of the Defense Logistics Agency (DLA) at the MCLB-Albany, including

McCarty, to obtain commercial trucking contracts from the base. The evidence showed that contracts included unnecessary costly provisions, such as expedited service, expensive trailers and exclusive use (i.e., a requirement that freight be shipped separately from other equipment). Evidence presented at trial and in a post-trial forfeiture hearing established that Whitman's company grossed more than \$37 million, and resulted in government losses and an improper benefit to Whitman of more than \$20 million.

The evidence further demonstrated that Whitman paid nearly \$200,000 in bribes to Newell and the former inventory control manager of the Distribution Management Center at MCLB-Albany, both of whom used their official positions to help Whitman steal from the base more than \$1 million in surplus military equipment, including bulldozers, cranes and front-end loaders. According to the trial evidence, in exchange for the bribe payments, Newell and the inventory control manager removed the surplus items from Marine Corps inventory and arranged to have them transported off the base by Whitman's company. The evidence showed that, after having the equipment refurbished, Whitman sold it to private purchasers.

Five other individuals have pleaded guilty to their roles in the corruption and fraud schemes. In October 2013, Kelli Durham, the former manager of Whitman's company, pleaded guilty to conspiracy to commit wire fraud, admitting to intentionally overbilling the United States for services the company did not perform, resulting in losses ranging from \$7 million to \$20 million. In May 2013, Mitchell Potts and Jeffrey Philpot pleaded guilty to bribery for collectively accepting more than \$700,000 in bribes from Whitman. In February 2013, Shelby Janes pleaded guilty to bribery for receiving nearly \$100,000 in bribes from Whitman. These defendants have not yet been sentenced. In February 2014, C.W. Smith, a Whitman associate who helped arrange the sale of the surplus military equipment Whitman stole from the base, pleaded guilty to theft of government property.

The case was investigated by the Naval Criminal Investigative Service, with assistance from the Dougherty County, Georgia, District Attorney's Office; Defense Criminal Investigative Service; DLA Office of the Inspector General; and the Department of Labor Office of the Inspector General. The case is being prosecuted by Deputy Chief J.P. Cooney and Trial Attorney Richard B. Evans of the Criminal Division's Public Integrity Section and Assistant U.S. Attorney K. Alan Dasher of the Middle District of Georgia. The forfeiture is being handled by Assistant Deputy Chief Darrin McCullough of the Asset Forfeiture and Money Laundering Section and the U.S. Attorney's Office of the Middle District of Georgia.

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