

JUSTICE NEWS

Department of Justice

Office of Public Affairs

FOR IMMEDIATE RELEASE

Wednesday, May 11, 2011

Former U.S. Army Major Pleads Guilty to Money Laundering Charge Related to Contracts Supporting Iraq War*Defendant Accepted \$400,000 Related to the Award of Bottled Water Contract in Kuwait*

WASHINGTON - A retired major in the U.S. Army pleaded guilty today in San Antonio to accepting \$400,000 from a contractor following his deployment to Kuwait, announced Assistant Attorney General Lanny A. Breuer of the Justice Department's Criminal Division.

Charles Joseph Bowie Jr., 45, of Georgetown, Texas, pleaded guilty today before U.S. Magistrate Judge Nancy Stein Nowak in the Western District of Texas to a criminal information charging him with one count of engaging in monetary transactions in property derived from specified unlawful activity. According to the court document, Bowie served in Kuwait from April 2004 to April 2005 in support of Operation Iraqi Freedom. While serving in Kuwait, Bowie became friends with former U.S. Army Major John Cockerham, who directed a government contractor to pay Bowie money in exchange for the award of a bottled water contract. Bowie admitted that he received four wire transfers of approximately \$100,000 each from the contractor between July 2005 and February 2006. Bowie also admitted that he entered into a sham consulting agreement with the contractor to conceal the payments.

Cockerham pleaded guilty in February 2008 to participating in a complex bribery and money laundering scheme while working as an Army contracting officer in Kuwait. According to court documents, he was responsible for awarding contracts for services to be delivered to troops in Iraq, including bottled water. In return for awarding these contracts, Cockerham admitted receiving more than \$9 million in bribe proceeds. Cockerham admitted that once he agreed to take money in exchange for awarding contracts, he directed contractors to pay Bowie and others in order to conceal the receipt of bribe payments. In December 2009, Cockerham was sentenced to 210 months in prison.

In addition to John Cockerham, his wife, Melissa Cockerham, pleaded guilty in February 2008 to money laundering for accepting \$1.4 million on her husband's behalf, and admitted that she stored the money in safe deposit boxes at banks in Kuwait and Dubai. Carolyn Blake, John Cockerham's sister, pleaded guilty in March 2009 to money laundering for accepting more than \$3 million on John Cockerham's behalf, and admitted that she stored the money in safe deposit boxes at banks in Kuwait. Additionally, Nyree Pettaway, John Cockerham's niece, pleaded guilty in July 2009, to conspiring with him, Blake and others to obstruct the investigation of money laundering related to his receipt of bribes. In December 2009, Melissa Cockerham was sentenced to 41 months in prison, Carolyn Blake was sentenced to 71 months in prison and Nyree Pettaway was sentenced to 12 months in prison.

Bowie faces up to 10 years in prison and a fine of \$250,000 or twice the amount of the criminally derived property he received. In addition, Bowie has agreed to pay \$400,000 in restitution to the United States. A sentencing date has not yet been scheduled by the court.

This case is being prosecuted by Trial Attorney Richard B. Evans of the Criminal Division's Public Integrity Section, and Trial Attorneys Mark W. Pletcher and Emily W. Allen of the Criminal Division's Fraud Section. The case is being investigated by the Army Criminal Investigations Division, the Defense Criminal Investigative Service, the FBI, the Internal Revenue Service, the Special Inspector General for Iraq Reconstruction and U.S. Immigration and Customs Enforcement at the Department of Homeland Security.

11-602

Criminal Division