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Former CEO of Simi Valley Company Guilty of Bilking Navy by Selling \$2.6 Million in Knock-Off Batteries Used on Aircraft Carriers and Subs

LOS ANGELES – A federal jury has convicted the former CEO of the Simi Valley-based battery distributor Powerline Inc. of defrauding the government by selling more than \$2.6 million in cheap, knock-off batteries to the U.S. Department of Defense.

Didier De Nier, 63, who lived in Simi Valley until he fled the United States nearly two years ago, was found guilty yesterday of five counts of wire fraud and one count of conspiracy to defraud the United States.

From 2004 to 2011, Powerline, which also did business as Birdman Distribution Corp, sold more than 80,000 batteries and battery assemblies that the Navy used for emergency back-up power aboard nuclear aircraft carriers, minesweepers and ballistic submarines. The batteries were installed on numerous Naval vessels.

According to the evidence presented during a six-day trial, De Nier and his employees disguised the bogus nature of the batteries by affixing counterfeit labels that falsely identified the batteries as originating from approved manufacturers. Powerline employees also used chemicals to remove “Made in China” markings from the knock-off batteries.

De Nier’s ex-wife Lisa De Nier, who had served for decades as Powerline’s vice president of sales, previously pleaded guilty in this case to conspiracy to defraud the government.

De Nier is scheduled to be sentenced by United States District Judge Dolly M. Gee on August 18. At sentencing, De Nier faces a statutory maximum sentence of 110 years in federal prison.

Lisa De Nier faces up to 10 in prison. She is expected to be sentenced by Judge Gee later this year.

Shortly after federal agents searched Powerline’s offices in July 2012, De Nier fled the Los Angeles area to live aboard his yacht near the Caribbean island of St.

Martin, a French territory. In October 2013, federal agents arrested De Nier, a dual French-U.S. citizen, after he had sailed on his yacht to the U.S. Virgin Islands.

The investigation in this case was conducted by the Defense Criminal Investigative Service and U.S. Immigration and Customs Enforcement's Homeland Security Investigations. The Defense Logistics Agency and the Defense Contract Audit Agency provided significant support to this investigation.

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