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THE UNITED STATES ATTORNEY'S OFFICE  
DISTRICT *of* COLUMBIA

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## **Owner of Virginia-Based Company Sentenced For Providing Gratuities to Federal Contracting Official Company Earlier Agreed to Pay \$300,000 Criminal Penalty for Its Conduct**

WASHINGTON – Harry I. Martin, Jr., the owner, president, and chief executive officer of a Virginia-based information technology company, Intelligent Decisions, Inc., was sentenced today to six months home confinement and a \$250,000 fine on a federal charge stemming from illegal gratuities that he and his company provided to a former contracting official with the U.S. Department of the Army in return for preferential treatment and government contracts.

The sentencing was announced today by Ronald C. Machen Jr., U.S. Attorney for the District of Columbia; Andrew G. McCabe, Assistant Director in Charge of the FBI's Washington Field Office; Thomas J. Kelly, Special Agent in Charge of the Washington Field Office of the Internal Revenue Service-Criminal Investigation (IRS-CI); Peggy E. Gustafson, Inspector General of the U.S. Small Business Administration (SBA-OIG); Robert E. Craig, Jr., Special Agent in Charge of the Mid-Atlantic Field Office of the Defense Criminal Investigative Service (DCIS), and Frank Robey, Director of the U.S. Army Criminal Investigation Command's Major Procurement Fraud Unit (MPFU).

Martin, 56, of Great Falls, Virginia, entered the guilty plea in November 2014. He was sentenced by the Honorable Emmet G. Sullivan. Martin received a sentence of three years' probation, with the first six months in home confinement, a fine of \$250,000, and 500 hours of community service.

In a related action, the company, Intelligent Decisions, Inc., agreed in October 2014 to pay a \$300,000 criminal penalty for its conduct. The company was charged in criminal information with one count of paying a gratuity to a public official. Intelligent Decisions, Inc. agreed to the filing of the information, and is to make the payment and strengthen its internal controls as part of a deferred prosecution agreement with the government. In light of that payment, and the company's willingness to acknowledge responsibility for its actions, the U.S. Attorney's Office for the District of Columbia will recommend the dismissal of the information in October 2016, provided the company fully cooperates and abides by the agreement.

Martin is among 20 individuals to plead guilty in an investigation into domestic bribery, bid-rigging, and federal contracting. His business colleague, Chae Shim, the former Director of Acquisition Accounts, Asia/Pacific, for Intelligent Decisions, pled guilty to the same federal charge as Martin stemming from gratuities that Shim and others at Intelligent Decisions, including Martin, provided to the former Army contracting official in return for preferential treatment and government contracts. Shim, 48, of Reston, Va., is awaiting sentencing.

In addition to those individuals, one corporation, Nova Datacom, LLC, pled guilty to federal charges. Also, a South Korean-based corporation, Saena Tech Corporation, has entered into a deferred prosecution agreement and agreed to pay a \$500,000 criminal penalty as part of the investigation.

In the overall investigation to date, the United States has recovered approximately \$28 million through the forfeiture of approximately 40 bank accounts and financial instruments, jewelry, 19 real properties, nine cars; civil settlements; and monetary penalties.

The guilty plea and deferred prosecution agreement involve gratuities provided to In Seon Lim, a former contracting official for the U.S. Department of the Army. Lim pled guilty in July 2014, in the U.S. District Court for the Eastern District of Virginia, to federal charges stemming from a scheme in which he accepted over \$490,000 worth of benefits, including cash payments and vacations, from favored contractors, including Intelligent Decisions, Inc. In return, he helped these businesses obtain millions of dollars in federal contracts and subcontracts. Lim, 48, who pled guilty to bribery and two other federal offenses, was sentenced on Oct. 24, 2014 to a four-year prison term.

According to the government's evidence, Martin, Shim, and the company provided Lim with thousands of dollars in meals, drinks, entertainment, golf outings, and golf equipment, in return for preferential treatment and the direction of Army subcontracts to the firm.

All told, Intelligent Decisions spent over \$8,000 on a variety of expenses, including dinners, golf outings, and other events attended by Lim, who was joined by company officials and others, while one of its former employees agreed to pay for a Lexus ES350 automobile worth over \$30,000 for Lim.

At the time of this conduct, Lim was an assistant project manager and product director with the Program Executive Office Enterprise Information Systems, a part of the Army that provides infrastructure and informational management systems. Working in South Korea, Lim's primary duties were to oversee and implement communications systems upgrades for the U.S. forces there, which included approximately 10 communications centers and various other special projects at military sites throughout the country. Among other things, Lim coordinated work on a major contract, which, in turn, had numerous sub-contracts.

According to the government's evidence, prior to the awarding of the sub-contracts, Martin and Shim traveled to South Korea in January 2009 to meet with Lim. They provided him with a dinner, drinks, and entertainment. They followed up on the meeting with e-mails expressing their desire for Intelligent Decisions, Inc., to work with him.

Later in January 2009, with Lim's assistance, the company was awarded two subcontracts. One had an initial value of \$525,000, and the other had a value of \$67,294.

Over the ensuing months, Martin, Shim, and the company provided Lim with additional meals, entertainment, golf outings, and other benefits. Meanwhile, modifications were made to the sub-contracts increasing their value. The lengths of the two sub-contracts were expanded, along with their value. The \$525,000 contract eventually climbed to a value of \$3.2 million, and the \$67,294 contract later became worth \$1.3 million.

This investigation is being conducted by the FBI's Washington Field Office; the Washington Field Office of the Internal Revenue Service-Criminal Investigation; the Inspector General's Office of the U.S. Small Business Administration; the Department of Defense's Defense Criminal Investigative Service; the Defense Contract Audit Agency, and the Army Criminal Investigation Command. It is being prosecuted by Assistant U.S. Attorneys Michael K. Atkinson and Anthony Saler of the Fraud and Public Corruption Section of the U.S. Attorney's Office for the District of Columbia.