



THE UNITED STATES ATTORNEYS OFFICE
EASTERN DISTRICT OF MISSOURI

FOR IMMEDIATE RELEASE

July 28, 2014

Boeing Subcontractor Pleads Guilty to Federal Fraud Charges

St. Louis, MO – **JEFFREY LAVELLE**, owner and operator of J. L. Manufacturing pled guilty to multiple counts of mail and wire fraud in connection with a bribery/kickback scheme involving Boeing military aircraft parts.

Boeing Company Defense Space and Security Division is a defense contractor providing military-style aircraft to the United States Department of Defense and the United States armed services with offices and procurement operations located in St. Louis. Deon Anderson was a Procurement Officer for Boeing, residing in the St. Louis area.

J. L. Manufacturing of Everett, Washington, is an aerospace job machine shop specializing in hard metals, with the capability of producing small to medium-sized complex parts of ferrous and non-ferrous materials, and was a sub-contractor to Boeing on numerous United States government contracts. Jeffrey Lavelle, owner and operator of J. L. Manufacturing, directed the day-to-day operations of the company, and oversaw all financial aspects of the company.

Inland Empire and Associates, Inc., Las Vegas, Nevada, is engaged in consulting to defense aircraft manufacturers and parts suppliers, including consulting for J. L. Manufacturing. Robert Diaz, Jr. was the owner and operator of Inland Empire, and personally consulted to J. L. Manufacturing and Jeffrey Lavelle relative to numerous Boeing sub-contracts.

Globe Dynamics International, Inc., Santa Ana, California is a leader in producing small to large, close tolerance precision machined parts and the assembly of complex components. Globe Dynamics was a sub-contractor to Boeing on numerous United States government contracts. William Boozer, owner and operator of Globe Dynamics, directed the day-to-day operations of the company, including the submission of contract bids.

Beginning in May 2011 and continuing through April 2013, Deon Anderson provided J.L. Manufacturing, through Lavelle and Diaz, non-public competitor bid information and historical price information in connection with one and more Boeing military aircraft part purchase order requests for quotes. Lavelle used that information in preparing and submitting bids on behalf of J.L. Manufacturing to Boeing for approximately nine different Boeing requests for quotes relative to those various purchase orders. Of those nine, J.L. Manufacturing was awarded seven purchase orders to supply United States military aircraft parts to Boeing totaling in excess of approximately \$2,052,746. In exchange for that information, they made cash payments to Anderson in St. Louis and in California.

Jeffrey Lavelle, Mukilteo, WA, pled guilty to one count of mail fraud and two counts of wire fraud before United States District Judge Henry Autrey, in St. Louis. Sentencing has been set for October 27, 2014.

Co-defendants Deon Anderson, St. Louis; William P. Boozer, Hacienda Heights, CA; and Robert Diaz, Jr., Alta Loma, CA, previously pled guilty to related charges and are scheduled for sentencing October 15, 2014, August 15, 2014, and September 2, 2014, respectively.

Each count of mail and wire fraud carries a maximum penalty of 20 years in prison and/or fines up to \$250,000. In determining the actual sentences, a Judge is required to consider the U.S. Sentencing Guidelines, which provide recommended sentencing ranges.

This case was investigated by Defense Criminal Investigative Service, Federal Bureau of Investigation, NASA-Office of Inspector General, Air Force Office of Special Investigations, Navy Criminal Investigative Service, and Internal Revenue Service-Criminal Investigations. Assistant United States Attorney Hal Goldsmith is handling the case for the U.S. Attorney's Office.