



THE UNITED STATES ATTORNEY'S OFFICE
EASTERN DISTRICT *of* MISSOURI

Boeing Procurement Officer and Three Contractors Indicted on Federal Bribery and Fraud Charges

FOR IMMEDIATE RELEASE

October 18 , 2013

St. Louis, MO – Former Boeing Procurement Officer Deon Anderson and three Boeing sub-contractors were indicted on multiple counts of mail and wire fraud in connection with a bribery/kickback scheme involving Boeing military aircraft parts. They appeared this morning in federal court in St. Louis to answer an indictment returned October 2, 2013.

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.

According to the indictment 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 the nine, J.L. Manufacturing was awarded seven purchase orders to supply United States military aircraft parts to Boeing totaling in excess of \$2,000,000. The indictment states that in exchange for that information, they made cash payments to Anderson in St. Louis and in California.

Additionally, according to the indictment, between November 2009 and February 2013, Boozer requested Anderson provide him with non-public competitor bid information and historical price information in connection with Boeing military aircraft part purchase order requests for quotes. They communicated by telephone and e-mail between California and St. Louis in code on a regular basis. Boozer frequently requesting "Isle 5," a coded reference to a "price check on aisle 5," understood by Anderson to be a request for historical price information and competitor bid information. Anderson gave the information to Boozer to be used in preparing and submitting bids on behalf of Globe Dynamics in response to approximately sixteen different Boeing requests for quotes relative to those various purchase orders, in exchange for cash payments. Of the sixteen bids, Globe Dynamics was awarded seven purchase orders to supply United States military aircraft parts to Boeing totaling in excess of \$1,500,000.

- DEON ANDERSON, St. Louis, MO
- JEFFREY LAVELLE, Mukilteo, WA
- ROBERT DIAZ, JR., Alta Loma, CA
- WILLIAM P. BOOZER, Hacienda Heights, CA

If convicted, 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.

As is always the case, charges set forth in an indictment are merely accusations and do not constitute proof of guilt. Every defendant is presumed to be innocent unless and until proven guilty.