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Second Former Official of Defense Reutilization
and Marketing Service is Sentenced to Prison
Term for Military Equipment Theft Scheme

Washington, D.C. - A former Defense Reutilization and Marketing Service (DRMS) official, Gayden C. Woodson, has been sentenced to serve 33 months in prison to be followed by three years of supervised released, and ordered to pay \$342,000 in restitution, for illegally selling to foreign nationals, in Middle East countries, stolen surplus military equipment, including militarized High-Mobility Multi-Wheeled Vehicles (HMMWVs). The sentence, imposed today by Judge James Robertson in the U.S. District Court for the District of Columbia, was announced by U.S. Attorney Jeffrey A. Taylor, together with Kenneth L. Wainstein, Assistant Attorney General of the National Security Division, U.S. Department of Justice, and Defense Criminal Investigative Service (DCIS) Director Daniel F. Willkens.

In sentencing the defendant today, Judge Robertson stated, "The word needs to get out to people who are representing this country in the field and in far-flung places that if the cookie jar is open, it doesn't mean they can steal from it."

Woodson, 46, of North Ogden, Utah, was employed for 27 years by the DRMS, which is responsible for managing the disposal - by reutilization, sale, transfer, or donation - of excess U.S. military property. DRMS operations at U.S. military facilities overseas are carried out by personnel authorized to conduct local sales for certain usable excess U.S. property, through sealed bid, auction, or retail fixed-price sales to qualified purchasers. From 2000 to 2006, Woodson served as a DRMS Property Disposal Specialist assigned to the Southwest Asia region, covering, among other countries, Oman, Kuwait, Saudi Arabia, and Qatar. According to papers filed in this case, after arriving in the Middle East Woodson willingly joined an ongoing conspiracy among DRMS personnel and local contractors and purchasers, to sell surplus

military equipment outside regular channels and pocket the proceeds. Woodson admitted that he alone personally obtained nearly \$350,000 through this illegal scheme. Among the equipment he admitted to selling in this way were militarized HMMWVs, which regulations require to be de-militarized before disposal, and which, if not de-militarized, may not be sold to foreign nationals without a validated export license issued by the U.S. Department of State's Directorate of Defense Trade Controls. The conspirators did not, of course, obtain licenses for their illegal sales of non-de-militarized HMMWVs in the Middle East. Some of the HMMWVs illegally sold by the Woodson and his criminal associates have been traced to, and some recovered from dealers in Europe, but the whereabouts of most are as yet unknown.

Woodson admitted having been recruited to the conspiracy by another DRMS official, Ronald W. Wiseman. Wiseman, 60, of New Boston, Texas, previously pled guilty to his part in the scheme and, after cooperating with the investigation, was sentenced to serve 18 months in prison. Woodson received a higher sentence in part because, after pleading guilty in October 2006 and telling government agents he had fully disclosed his criminal activity, he failed a polygraph examination and only then admitted additional illegal conduct.

"These men abused their positions of public trust to line their own pockets at the expense of our U.S. military services," said U.S. Attorney Taylor. "It is particularly offensive that in that process they put excess military equipment into the unregulated stream of international commerce - including militarized vehicles which could make their way into the hands of adversaries and endanger our fighting troops abroad. These prosecutions show that we will vigorously pursue national security crimes wherever they occur."

Assistant Attorney General Wainstein added, "These defendants's actions created significant force protection concerns for our troops and allies in the Middle East. The Department of Justice will make full use of our law enforcement tools and criminal penalties against those who seek to profit at the expense of our military and national security."

"The manipulation of the Defense Reutilization and Marketing Service and theft of Government property by two unscrupulous employees will not be tolerated within the Department of Defense," said DCIS Director Willkens. "The Defense Criminal Investigative Service is committed to aggressively investigating these cases to ensure the integrity of the Defense Reutilization and Marketing Service and to protect the investment of our taxpayers. This is

also another example of how the Global War on Terrorism is not limited to any one area. It is worldwide. As others have so correctly pointed out, these vehicles in the wrong hands could pose a serious threat to our nation's warfighters. So this was not just a theft issue - it is also a force protection issue."

In announcing the sentence, U.S. Attorney Taylor, Assistant Attorney General Wainstein, and DCIS Director Willkens expressed appreciation for the outstanding investigative work of Special Agents John S. Schlotterer of the Defense Criminal Investigative Service (DCIS) and Thomas M. Tamsi of the Defense Logistics Agency's Defense Criminal Investigative Activity (DLA/DCIA), who uncovered and investigated the scheme, and for the investigative assistance of special agents of U.S. Department of Homeland Security's Immigration and Customs Enforcement (ICE), which enforces the AECA. They also commended the work of Assistant U.S. Attorney Laura A. Ingersoll, of the National Security Section, and Senior Trial Attorney Mariclaire Rourke of the National Security Division's Counterespionage Section.

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