

FOR FURTHER INFORMATION CONTACT

**AUSA VICKIE E. LEDUC or
MARCIA MURPHY at 410-209-4885**

MARCH 7, 2012

FOR IMMEDIATE RELEASE

<http://www.usdoj.gov/usao/md>

**ST. MARY'S COUNTY FORMER NAVY EMPLOYEE PLEADS GUILTY TO DISCLOSING CONTRACTOR
BID INFORMATION**

**Unlawfully Provided Competitive Bid Information for a New Naval Air Warfare
Contract**

Greenbelt, Maryland - Retired U.S. Navy employee Gregory Roger Penk, age 64, of Patuxent River, Maryland, pleaded guilty late yesterday to unlawfully disclosing procurement contractor bid and source selection information.

The guilty plea was announced by United States Attorney for the District of Maryland Rod J. Rosenstein, Special Agent in Charge Robert Craig of the Defense Criminal Investigative Service - Mid-Atlantic Field Office; and Special Agent in Charge John Wagner of the Naval Criminal Investigative Service, Washington Field Office.

"This guilty plea illustrates the importance of an honest and fair contracting process and the fact that DCIS, its law enforcement partners, and the United States Attorney's Office, will investigate and prosecute those that attempt to circumvent that process," said Robert Craig, Special Agent in Charge for the Defense Criminal Investigative Service, Mid-Atlantic Field Office.

According to Penk's plea agreement, from 1969 to July 2, 2011, Penk was employed with the Navy at a location in St. Inigoes, St. Mary's County, Maryland. On June 30, 2010, the Navy solicited bids for a new Naval Air Warfare Center - Aircraft Division (NAWCAD) contract as part of a competitive procurement process. The services had previously been provided by Booz Allen Hamilton (BAH), one of the companies submitting bids on the new contract. Penk was responsible for assisting the contracting officer with funding, performance and technical issues related to the program.

Penk admitted that on three separate occasions, he disclosed contractor bid and source selection information about the NAWCAD contract to BAH. Specifically, on February 14, March 2 and March 4, 2011, Penk called a BAH employee and provided specific information about the contract, including the fact that BAH might not win the project and that BAH's bid was \$7.5 million higher than a competitor's bid. Penk also informed the employee that the Navy would be issuing a best and final offer request and that BAH should prepare for that request. Penk disclosed the information to give BAH a competitive advantage in the award of the contract.

The Navy learned about Penk's illegal disclosures and had to rebid the contract.

Penk faces a maximum sentence of five years in prison and a fine of \$250,000. As part of his plea agreement, Penk and the government have agreed to recommend that the Court enter an order requiring Penk to pay restitution of \$24,108, with \$5,000 to be paid no later than the date of sentencing and the remainder in \$500 monthly installments. U.S. District Judge Alexander Williams, Jr. has scheduled sentencing for June 13, 2012 at 9:30 a.m.

The National Procurement Fraud Task Force was formed in October 2006 to promote

the early detection, identification, prevention and prosecution of procurement fraud associated with the increase in government contracting activity for national security and other government programs. The Procurement Fraud Task Force - chaired by Assistant Attorney General for the Criminal Division Lanny A. Breuer - includes the United States Attorneys' Offices, the FBI, the U.S. Inspectors General community and a number of other federal law enforcement agencies. This case, as well as other cases brought by members of the Task Force, demonstrate the Department of Justice's commitment to helping ensure the integrity of the government procurement process.

United States Attorney Rod J. Rosenstein thanked NCIS and DCIS for their work in the investigation. Mr. Rosenstein praised Assistant U.S. Attorneys Mara Zusman Greenberg and James A. Crowell IV, who are prosecuting the case.

[HOME](#)