



VENDOR'S EMPLOYEES PLEAD GUILTY IN \$7.6M CONTRACT STEERING SCHEME

Activity Date: February 5, 2019

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Case Number: DC-16-0283-HL-O

Web Summary: OIG-WS-2019-312

Two executives at a textile company, based in Milford, Delaware, pleaded guilty to federal program bribery charges in U.S. District Court in February.

Donald Crothers, the company's vice president for marketing and contract administration, and John Gonzales, the company's executive vice president and chief financial officer, pleaded guilty for their roles in a bribery scheme to secure Amtrak contracts for seat cushions. The executives bribed former Amtrak employee, Timothy Miller, then a Lead Contract Administrator, to steer four fleet maintenance contracts to their company in exchange for approximately \$20,000 in bribes, trips, and other items of value. Crothers pleaded guilty on February 4, 2019, and Gonzales' guilty plea came the following day.

A cross-agency team of special agents from Amtrak OIG, the FBI, and the U.S. Department of Transportation OIG conducted the investigation that resulted in the charges.