



U. S. Department of Justice

# News Release

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**FORMER NAVY RANGE MANAGER PLEADS GUILTY**  
**TO ACCEPTING ILLEGAL GRATUITIES**

**RALEIGH** - United States Attorney Thomas G. Walker announced that today in federal court, before Chief United States District Judge James C. Dever III, HARRY C. MANN, age 79, of Manns Harbor, North Carolina, pleaded guilty to accepting illegal gratuities while employed by the U.S. Department of Navy at the Dare County Bombing Range. The charge carries a maximum penalty of two years' imprisonment, a fine of \$250,000 or twice the gain to the defendant, restitution, one year supervised release, and a \$100 special assessment.

According to the United States Attorney's factual proffer, Mann, had been employed by the Navy at the range southwest of Manteo, since 1968. The range provides air warfare training support to the Navy and the Marine Corps. Aviators practice dropping inert bombs and firing live rounds of ammunition at practice targets. As range manager, Mann's official duties included constructing and maintaining the targets. Between January 2005 and May 2011, Mann requisitioned approximately 16

million dollars in excess government property, which included many types of functional heavy equipment, like trucks, excavators, bulldozers, cranes, trailers, and metal connex boxes. He obtained the property from the Defense Reutilization and Marketing Office (DRMO), which was created by the Department of Defense to centralize the disposal of excess property for better accountability and to reutilize military property within the Department of Defense. If the Department of Defense no longer has use for the property, excess material may be used for emergency management in the United States and humanitarian aid worldwide. The Department of Defense could also sell excess property to the public.

Mann, however, without proper authorization, sold DRMO acquired property to local metal scrappers. These men paid Mann a percentage of the proceeds they received for scrapping numerous pieces of heavy equipment and aluminum expedition runway matting. In total, these men state they paid Mann approximately \$175,000 in kickbacks. Mann, according to the government's proffer, demanded that these men pay him in cash when they were alone so others could not witness the payments. One such cash payment of \$16,300 was paid to Mann at his residence on May 18, 2011. Mann told the local scrapper to put the envelope of cash in a flower pot. These men, Rudy Lozano

and John Williams, previously pleaded guilty to Theft of Government Property.

Chief Judge Dever scheduled sentencing for the Court's January 25, 2016 term of court.

"One of DLA OIG's missions is to investigate and support the prosecution of crimes relating to fraud, waste and abuse of Department of Defense property," said Jerry Unruh, DLA's deputy inspector general. "It is essential that we hold government employees accountable for using their positions of trust for their own personal gain at the expense of the US Treasury."

"Corrupt Department of Defense employees who enrich themselves at the expense of American taxpayers are reprehensible," said John F. Khin, Special Agent in Charge, Southeast Field Office, Defense Criminal Investigative Service. "DCIS' top priority is to root out fraud and corruption affecting the DOD, and bring these violators to justice."

The investigation of this case was jointly conducted by the Navy Criminal Investigative Service, the Department of Defense Investigative Service, and the Defense Logistics Agency (DLA), Office of the Inspector General. The Navy was first alerted of the criminal activity by inspectors from the North Carolina Department of Motor Vehicles after witnessing the transportation of heavy pieces of equipment in the Edenton area. Assistant

United States Attorneys Felice M. Corpening and Susan B. Menzer represented the government.

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