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Department of Justice
U.S. Attorney's Office
Southern District of California

FOR IMMEDIATE RELEASE

Friday, February 8, 2019

Former U.S. Navy Captain Sentenced in Sweeping U.S. Navy Corruption and Fraud Probe

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NEWS RELEASE SUMMARY – February 8, 2019

SAN DIEGO – Former U.S. Navy Captain Jeffrey Breslau, previously the director of public affairs for the U.S. Pacific Fleet, was sentenced in federal court today to six months in custody for secretly moonlighting as a paid public relations consultant for foreign defense contractor Leonard Glenn Francis.

U.S. District Judge Janis L. Sammartino also fined Breslau \$20,000, ordered him to perform 250 hours of community service, and ordered Breslau to pay \$65,000 in restitution to the Navy – the amount Francis paid the Navy Captain for insider advice that helped the contractor build a business empire that cost the Navy tens of millions of dollars.

According to the government's sentencing memorandum, Breslau authored emails and provided talking points for Francis to create relationships with five Navy admirals and win or maintain lucrative Navy contracts for his Singapore-based ship husbanding company, Glenn Defense Marine Asia (GDMA).

Breslau, 52, of Cumming, Georgia, was charged in September 2018 and pleaded guilty in November to one count of criminal conflict of interest, admitting that while he was still employed by the U.S. Navy, Francis paid him more than \$65,000 for the public relations consulting services. Francis pleaded guilty in 2015 to bribery and fraud charges, admitting that he presided over a massive, decade-long conspiracy involving scores of U.S. Navy officials, tens of millions of dollars in fraud and millions of dollars in bribes and lavish gifts, including luxury travel, airline upgrades, five-star hotel accommodations, top-shelf alcohol, the services of prostitutes, Cuban cigars, Kobe beef, and Spanish suckling pigs.

Breslau pleaded guilty to a conflict of interest charge. The essence of his crime, prosecutors said, was the prolific use of his specialized skills and privileged position, bestowed upon him by the U.S. Navy, for GDMA's benefit. "Simply put," the sentencing memo said, "the defendant sold his fiduciary alliance for \$65,000."

"Breslau was secretly advocating for Leonard Francis behind the backs of his Navy colleagues," said U.S. Attorney Robert S. Brewer Jr. "Breslau's deceit was part of an astounding culture of corruption that has been

exposed and eliminated as a result of this historic investigation.”

According to admissions made as part of his guilty plea, from October 2009 until July 2012, Breslau was a Captain in the U.S. Navy assigned as Director of Public Affairs for the U.S. Pacific Fleet, headquartered in Pearl Harbor, Hawaii. As part of his duties, Breslau was involved in devising the U.S. Navy’s public affairs communications strategy, and provided public affairs guidance to Pacific Fleet components and other U.S. Navy commands. From August 2012 until July 2014, Breslau was assigned to the Commanding Officer for the Joint Public Affairs Support Element in Norfolk, Virginia, where he was responsible for leading joint crisis communications teams.

Breslau admitted in his plea agreement that from March 2012 until September 2013, while serving in the above roles for the U.S. Navy, he provided Leonard Francis with public relations consulting services, including providing advice on how to respond to issues and controversies related to Francis’s ship husbanding business with the U.S. Navy. These included issues related to port visit costs, allegations of malfeasance such as the unauthorized dumping of waste, disputes with competitors, and issues with Pacific Fleet and contracting personnel.

During the course of his consulting agreement with Francis, Breslau authored, reviewed, or edited at least 33 separate documents; authored at least 135 emails providing advice to Francis; provided at least 14 instances of “talking points” in advance of meetings between Francis and high ranking U.S. Navy personnel; and “ghostwrote” numerous emails on Francis’s behalf to be transmitted to U.S. Navy personnel. During the course of this consulting agreement, Breslau accepted approximately \$65,000 from Francis without disclosing the agreement to the U.S. Navy.

In one email exchange with Francis, Breslau described himself as Francis’ “priest” because of the confidential nature of the relationship. In another email, Breslau urged Francis to be discreet in his communications with other Navy officers: “Hope I was blind copied on the note below. Important to not compromise me even to your closest Navy brothers.” Francis replied, “Rest assured your identity is protected.”

In another email, Francis praised Breslau; “I like your ghost writing it truly helps me.” Breslau replied, “Thanks for the compliment with regard to the ghost emails. Glad to help.”

Prosecutors argued that Breslau should serve time in custody for the conflict of interest charge, in part because his deception had a significant impact on the Navy. “The breadth and scope of defendant’s willful illegal conduct in providing consulting services to Francis – in each instance assisting Francis against the U.S. Navy – substantially disrupted the functions of the U.S. Navy,” prosecutors wrote in the sentencing memo.

“In nearly every instance, defendant’s work consisted of advocating for Francis and against the U.S. Navy, against its officers, against its senior civilian leaders, and against its enlisted sailors,” the sentencing memo said.

Breslau is the 18th current or former U.S. Navy official to plead guilty in the expansive corruption and fraud investigation involving Francis and GDMA. So far, 33 defendants have been charged in the U.S. and 22 have pleaded guilty.

The case is being prosecuted by Assistant U.S. Attorneys Mark W. Pletcher, Robert Huie, and Patrick Hovakimian of the Southern District of California and Assistant Chief Brian R. Young of the Fraud Section of the Justice Department’s Criminal Division.

DEFENDANT

Case Number: 18-CR4208

Captain (retired) Jeffrey Breslau

Age: 52

Cumming, Georgia

SUMMARY OF CHARGES

Conflict of Interest, in violation of 18 U.S.C. § § 208(a), 216

Maximum Penalty: 5 years in prison, a \$250,000 fine

INVESTIGATING AGENCIES

Defense Criminal Investigative Service

Naval Criminal Investigative Service

Defense Contract Audit Agency

Component(s):

USAO - California, Southern

Press Release Number:

CAS19-0208-Breslau

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