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Department of Justice

U.S. Attorney's Office

Eastern District of Virginia

FOR IMMEDIATE RELEASE

Wednesday, September 16, 2020

Former Business Executive Sentenced to Prison for \$4 Million Bribery Scheme Involving DoD Contracts for Wounded Military Veterans

ALEXANDRIA, Va. – An Oregon man was sentenced today to 42 months in prison for his role in a \$4 million bribery and fraud scheme related to a number of Department of Defense contracts to provide support services for the recovery and rehabilitation of wounded military veterans.

"Brodie Thomson's greed caused him to put his own financial interests above the well-being of the wounded warriors," said G. Zachary Terwilliger, U.S. Attorney for the Eastern District of Virginia. "After receiving over \$4 million in illegal kickbacks, Thomson admitted to attempting to obstruct the government's investigation by creating fake business plans to make the kickback payments look like legitimate payments. Throughout the course of this investigation, Thomson made several poor and illegal decisions in an attempt to avoid being held accountable for his criminal conduct."

According to court documents, Thomson, 45, of Redmond, a former executive for an Arlington company (referred to as Company A) solicited commercial bribes and kickbacks from an Oregon-based company (referred to as Company B), in exchange for influencing Company A to give favorable treatment to Company B in connection with the award of certain Defense Department subcontracts. From 2012 through 2015, Company A paid Company B over \$16 million on labor that Company B performed for Company A in connection with running various athletic camps, clinics and games for wounded warriors around the United States. Thomson demanded that Company B pay him varying percentages of Company B's profits on work received from Company A resulting in the payment of approximately \$4.1 million in kickbacks during this three-year period. As part of the scheme to defraud Company A, Thomson directed employees of Company B how to mark up their invoices for labor when billing Company A for particular services Company B performed. Thomson did not disclose to Company A his receipt of the kickback payments from Company B for his own personal use.

"The illegal manipulation of Federal government contracts costs the taxpayer and warfighter alike," said Robert E. Craig Jr., Special Agent in Charge of the DCIS Mid-Atlantic Field Office. "DCIS is committed to working alongside our law enforcement partners to detect and deter fraud and bring those to justice that criminally exploit the contracting process."

“Mr. Thomson’s scheme to defraud the Department of Defense and wounded military veterans threatened the integrity of our military’s acquisition process and wasted taxpayer money,” said John Salazar, Special Agent in Charge of the NCIS Washington Field Office. “This sentencing emphasizes how important it is for our military personnel and family members to remain vigilant and always report suspected fraud. It also serves as a warning that crimes targeting our military family will be fully investigated and the criminals brought to justice.”

“The defendant thought he could outsmart the system, he was mistaken,” said Frank Robey, Director of the U.S. Criminal Investigation Command’s Major Procurement Fraud Unit. “This investigation is yet another example of our agents and our law enforcement partners working together to uncover corruption, protect the DoD and hold unscrupulous businesses accountable.”

G. Zachary Terwilliger, U.S. Attorney for the Eastern District of Virginia; Robert E. Craig Jr., Special Agent in Charge for the Defense Criminal Investigative Service’s (DCIS) Mid-Atlantic Field Office; John Salazar, Special Agent in Charge of the Naval Criminal Investigative Service (NCIS) Washington Field Office; and Frank Robey, Director of the U.S. Army Criminal Investigation Command’s Major Procurement Fraud Unit (MPFU), made the announcement after sentencing by U.S. District Judge Anthony J. Trenga. Assistant U.S. Attorneys Heidi B. Gesch, Kimberly R. Pedersen, and Jack Hanly prosecuted the case.

A copy of this press release is located on the website of the [U.S. Attorney’s Office](#) for the Eastern District of Virginia. Related court documents and information are located on the website of the [District Court](#) for the Eastern District of Virginia or on [PACER](#) by searching for Case No. 1:20-cr-67.

Topic(s):

Financial Fraud

Component(s):

[USAO - Virginia, Eastern](#)

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