



THE UNITED STATES ATTORNEY'S OFFICE
SOUTHERN DISTRICT *of* CALIFORNIA

[U.S. Attorneys](#) » [Southern District of California](#) » [News](#)

Department of Justice

U.S. Attorney's Office

Southern District of California

FOR IMMEDIATE RELEASE

Tuesday, August 31, 2021

Chief Warrant Officer Pleads Guilty in International Navy Bribery and Fraud Scandal

Assistant U.S. Attorneys Mark W. Pletcher (619) 546-9714, Michelle Wasserman (619) 546-8431, Valerie Chu (619) 546-6750, and David Chu (619) 546-8266

NEWS RELEASE SUMMARY – August 31, 2021

SAN DIEGO – Retired Chief Warrant Officer Robert Gorsuch admitted in federal court today that he received more than \$45,000 in bribes from foreign defense contractor Leonard Francis, who plied him with stays at luxurious hotels plus meals, entertainment and other gifts in exchange for official acts that would help Francis' ship husbanding business, including the disclosure of multiple classified ship schedules.

Gorsuch was one of nine members of the U.S. Navy's Seventh Fleet indicted in March 2017 for participating in a conspiracy with Francis, the owner and CEO of Singapore-based Glenn Defense Marine Asia.

The U.S. Navy's Seventh Fleet represents a vital piece of the United States military's projection of power as well as American foreign policy and national security. The largest numbered fleet in the U.S. Navy, the Seventh Fleet is comprised of 60-70 ships, 200-300 aircraft and approximately 40,000 Sailors and Marines. The Seventh Fleet is responsible for U.S. Navy ships and subordinate commands that operate in the Western Pacific throughout Southeast Asia, Pacific Islands, Australia, and Russia and the Indian Ocean territories, as well ships and personnel from other U.S. Navy Fleets that enter the Seventh Fleet's area of responsibility

Gorsuch is the first of the Seventh Fleet defendants to plead guilty. The remaining defendants, who are accused of trading military secrets and substantial influence for sex parties with prostitutes, extravagant dinners and luxury travel, are scheduled for trial on November 1, 2021. They include U.S. Navy Rear Admiral Bruce Loveless; Captains David Newland, James Dolan,

Donald Hornbeck and David Lausman; Colonel Enrico DeGuzman; Lt. Commander Stephen Shedd; and Commander Mario Herrera.

This case has resulted in federal criminal charges against 34 Navy officials, defense contractors and the GDMA corporation. So far, 26 of those have pleaded guilty, admitting that they collectively accepted millions of dollars in luxury travel and accommodations, meals, or services of prostitutes from Francis in exchange for helping GDMA win and maintain contracts and overbill the Navy by over \$35 million.

“Gorsuch essentially sold his honor for a few nights at the Shangri-La,” said Acting U.S. Attorney Randy Grossman. “Gorsuch sacrificed his integrity for so little and caused so much harm in the process. Today, Gorsuch has admitted his part in this scandal and will be held to account for his conduct.”

Gorsuch was a Chief Warrant Officer in the U.S. Navy, who, from January 2005 to March 2008, served as the Seventh Fleet’s Flag Administration Officer. In this role, he provided administrative support to the Seventh Fleet Commander, department heads, and other senior officers of the Seventh Fleet staff.

According to his plea agreement, Gorsuch admitted to receiving the following bribes from Francis:

On or about February 8, 2007, Gorsuch and others attended a party at the Manila Hotel in Manila, Philippines, for which Francis paid expenses, which totaled approximately \$15,000.

On or about February 11, 2007, Gorsuch and others stayed at Francis’s expense at the Shangri-La Hotel in Cebu, Philippines.

From March 1-5, 2007, Gorsuch stayed at Francis’s expense at the Shangri-La Hotel in Kuala Lumpur, Malaysia.

On or about June 17, 2007, Gorsuch and others dined at Francis’s expense at Altitude Shangri-La in Sydney, Australia.

On or about January 19, 2008, defendant and others stayed at Francis’s expense for two nights at the Ritz Carlton in Tokyo.

According to admissions in his plea agreement, Gorsuch reciprocated by sending Francis disks containing classified ship schedules for the Navy’s Seventh Fleet. In an email to Francis on October 25, 2007, Gorsuch wrote: “By the way, the two disks ... the yellow one is the latest with current C7F sked as briefed to the boss. I will investigate on the dates for the ships you requested and get back to you shortly.” Two days later, Gorsuch, using the same email account, sent Francis an email describing the planned movements of the U.S.S. Tarawa and U.S.S. Hopper for December 17-21, 2007. Likewise, on or about August 3, 2008, Francis emailed Gorsuch at the same email account to make a demand: “I need some [ship schedule] updates. When shall I call you?” Gorsuch responded: “Sked fluctuating a lot right now – should start to solidify next week. Will drop you an e-mail when they are done chopping it up next week and we can talk.

“Mr. Gorsuch's guilty plea unequivocally memorializes his participation in the charged corruption scheme, wherein he and others sacrificed the honor of serving our great nation with distinction in return for personal gain,” said Kelly P. Mayo, the Director of the Department of Defense Office of Inspector General, Defense Criminal Investigative Service. “The comprehensive joint investigation that exposed Mr. Gorsuch's illegal activities is but one example of the lengths DCIS and its investigative partners will go to pursue justice for the Warfighter and defend the integrity of the men and women who truly exemplify service before self.”

“Mr. Gorsuch will be held fully accountable for accepting lavish gifts in exchange for, among other things, passing classified information to Mr. Francis and GDMA,” said NCIS Director Omar Lopez. “NCIS and our law enforcement partners remain committed to rooting out bribery and corruption wherever it exists and thwarting the potentially grave attendant consequences.”

DEFENDANT

Case Number: 17-CR-0623-

JLS

Chief Warrant Officer (Retired) Robert Gorsuch
Mississippi

Age: 54

SUMMARY OF CHARGES

Bribery in violation of 18 U.S.C. § 201

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

INVESTIGATING AGENCIES

Defense Criminal Investigative Service

Naval Criminal Investigative Service

Defense Contract Audit Agency

Topic(s):

Public Corruption

Component(s):

USAO - California, Southern

Press Release Number:

CAS21-0831-Gorsuch

Updated August 31, 2021