

UNITED STATES DISTRICT COURT
EASTERN DISTRICT OF MICHIGAN
SOUTHERN DIVISION

UNITED STATES OF AMERICA,

Plaintiff,

v.

D-2 JOHN A. BAKER,

Defendant.

FILED:

November 27, 2001

CRIMINAL NO.

00-80278

HONORABLE:

Denise Page Hood

VIOLATION:

18 U.S.C. § 371

OFFENSE:

Conspiracy to
Commit
Mail Fraud

FIRST SUPERSEDING
INFORMATION

THE UNITED STATES OF AMERICA CHARGES:

I

DESCRIPTION OF THE OFFENSE

1. Beginning at least as early as 1989, and continuing at least into April 1995, the exact dates being unknown to the United States, Defendant JOHN A. BAKER and co-conspirators did unlawfully, willfully, and knowingly conspire, combine, confederate and agree to commit an offense against the United States of America, to wit, to violate Title 18, United States Code, Sections 1341 and 1346, all in violation of Title 18, United States Code, Section 371.

2. It was a part and an object of the conspiracy that JOHN A. BAKER and co-conspirators, having devised and intending to devise a scheme and artifice to

defraud and obtain money from General Motors Corporation by means of an agreement to rig bids and allocate contracts, and to deprive General Motors Corporation of its right to honest services from its employee; executed the scheme and artifice to defraud by and through the use of the United States mails, in violation of Title 18, United States Code, sections 1341 and 1346.

II
DEFENDANT AND CO-CONSPIRATORS

3. During the period covered by this Information, JOHN A. BAKER was the president of Sauger Industries, Inc. Sauger Industries, Inc. is a corporation organized and existing under the laws of the State of Michigan with its principal place of business in Troy, Michigan.

4. Various individuals and corporations, not made defendants in this Information, participated as co-conspirators in the offense charged and performed acts and made statements in furtherance thereof.

5. Whenever this Information refers to any act, deed, or transaction of any corporation, it means that the corporation engaged in the act, deed, or transaction by or through its officers, directors, employees, agents, or other representatives while they were actively engaged in the management, direction, control, or transaction of its business or affairs.

III
GOALS OF THE CONSPIRACY

6. The scheme and artifice to defraud and obtain money from General Motors Corporation resulted in the award of millions of dollars in rigged tooling contracts to Defendant and co-conspirators. The conspirators also bribed a General Motors Corporation employee in exchange for limiting the list of bidders to the members of the conspiracy. As a result of this scheme, General Motors Corporation was also deprived of its intangible right to have their employee perform his job in an honest fashion.

IV
MEANS AND METHODS OF THE CONSPIRACY

The means and methods by which the conspiracy was sought to be accomplished included, among others, the following:

7. Beginning at least as early as 1989 and continuing at least until April 1995, JOHN A. BAKER and co-conspirators agreed that they would be the only vendors allowed to bid on certain tooling contracts at General Motors Corporation. As part of the agreement, the Defendant and co-conspirators discussed the submission of prospective bids for tooling contracts for various automotive projects at General Motors Corporation. For each bid, either the Defendant or a co-conspirator was designated as the low, responsive bidder for tooling contracts at General Motors Corporation, and either the Defendant and/or co-conspirators would

submit intentionally high, complementary bids for tooling contracts at General Motors Corporation. After these decisions were made, Defendant and co-conspirators exchanged bid prices before submission to General Motors Corporation. As a result of these collusive bids, Defendant and co-conspirators provided tooling to, and received payment from, General Motors Corporation. Once General Motors Corporation issued payment to Defendant and his co-conspirators, false invoices were sent to the winning co-conspirators in order to effect kickback payments. Finally, Defendant and co-conspirators sent these kickback payments to the scheme's organizer to pay the General Motors Corporation employee that provided assistance in the submission of rigged bids.

V
OVERT ACTS

In furtherance of the conspiracy, and to effect the objects thereof, the U.S. mails were used to commit the following overt acts in the Eastern District of Michigan and elsewhere:

8. Between approximately 1989 and April 1995, Defendant and co-conspirators caused General Motors to send purchase orders to them for tooling contracts obtained as a result of rigged bids.

9. Between approximately 1989 and April 1995, Defendant and co-conspirators built and shipped assembly line tools for General Motors Corporation

and caused General Motors Corporation to send payments or indicia of payments to the conspirators.

10. Between approximately 1989 and April 1995, Defendant and co-conspirators sent and received false invoices representing amounts owed to the scheme's organizer and to the General Motors Corporation employee for his assistance in the submission of rigged bids.

11. Between approximately 1989 and April 1995, Defendant and co-conspirators sent checks to pay the scheme's organizer and to pay the General Motors Corporation employee for his assistance in the submission of rigged bids.

12. Between approximately 1989 and April 1995, Defendant and co-conspirators caused the General Motors Corporation employee to use the mails to obtain payments for his assistance in the submission of rigged bids.

VI
JURISDICTION AND VENUE

13. The scheme and artifice to defraud charged in this Information was carried out, in part, within the Eastern District of Michigan and within the five years preceding the filing of this Information, excluding the period during which the statute of limitations has been suspended pursuant to an agreement with the Defendant (attachment 1).

Respectfully Submitted,

"/s/"
CHARLES A. JAMES
Assistant Attorney General
Antitrust Division

"/s/"
ALAN M. GERSHEL
United States Attorney
Eastern District of Michigan

"/s/"
JAMES M. GRIFFIN
Deputy Assistant Attorney General

"/s/"
KEITH E. CORBETT
Assistant U.S. Attorney

"/s/"
SCOTT D. HAMMOND
Director of Criminal Enforcement

"/s/"
ERIC M. STRAUS
Assistant U.S. Attorney

"/s/"
SCOTT M. WATSON
Chief, Cleveland Field Office
MICHAEL F. WOOD, Assistant Chief
KEVIN C. CULUM, Attorney
BRIAN J. STACK, Attorney

Dated: November 15, 2001

UNITED STATES DISTRICT COURT
EASTERN DISTRICT OF MICHIGAN
SOUTHERN DIVISION

UNITED STATES OF AMERICA,

CRIMINAL NO. 00-80278

Plaintiff,

Honorable Denise Page Hood

v.

VIOLATION: 18 U.S.C. § 371

D-2 JOHN A. BAKER,

OFFENSE: Mail Fraud

Defendants.

WAIVER OF STATUTE OF LIMITATIONS

John A. Baker, the above-named Defendant, who has agreed to enter into the attached Information and Plea Agreement, wherein he agrees to plead guilty to Conspiracy to commit mail fraud, in violation of 18 U.S.C. § 371, hereby waives the running of any statute of limitations from March 29, 2000, through the filing of the attached Information. Accordingly, as to any action by the United States Attorney's Office of the Eastern District of Michigan pursuant to 18 U.S.C. § 371, the period of time from March 29, 2000, through the filing of the attached Information, shall not be included for the purpose of determining the statute of

limitations, the doctrines of waiver, laches, or estoppel, the applicability of Federal Rule of Criminal Procedure 48, or any statutory or constitutional right to a speedy trial or to the absence of pre-indictment delay.

“/s/”

JOHN A. BAKER
Defendant

“/s/”

JAMES H. HUDNUT
Counsel for John A. Baker

DATE: November 27, 2001