

JUSTICE NEWS

Department of Justice

Office of Public Affairs

FOR IMMEDIATE RELEASE

Monday, April 12, 2010

Wyoming Used Car Dealer Sentenced to 37 Months in Prison for Odometer Tampering Fraud Scheme*Odometer Rollbacks Often Exceeded 100,000 Miles*

WASHINGTON – Randy Lee (aka Jimmy Lee) was sentenced today in connection with an odometer tampering scheme that defrauded scores of victims in and around Colorado, the Justice Department announced. U.S. District Court Judge Alan B. Johnson in Cheyenne, Wyo., sentenced Lee to a term of 37 months in prison and a term of 3 years of supervised release during which he cannot be involved in the sale of motor vehicles. The court will determine the amount of restitution Lee owes within 90 days.

On Jan. 21, 2010, after a two-week trial, a federal jury in Cheyenne convicted Lee on eleven of fourteen felony counts with which he was charged. The jury convicted Lee of one count of conspiracy, five counts of odometer tampering, and five counts of securities fraud related to fraudulent motor vehicle titles. The jury acquitted Lee of two counts of providing false odometer certifications and one count of mail fraud. According to the charges and the evidence presented at trial, from as early as 2002 and through at least 2006, the defendant defrauded buyers of used motor vehicles by misrepresenting the mileage of the vehicles when sold.

On July 23, 2009, a Casper, Wyo., federal grand jury returned an indictment charging Lee and a co-defendant, Jay Lee, in a 28-count indictment alleging the above offenses, all of which related to an odometer tampering scheme. Jay Lee remains at large. Anyone with information on his whereabouts is asked to contact the law enforcement officials identified below.

At trial, the jury heard evidence that the defendants, who bought and sold vehicles on behalf of a Cheyenne used auto dealership, purchased pickup trucks in Wyoming and surrounding states, rolled back the odometers to false, lower mileages, obtained fraudulent Wyoming titles, and then resold the trucks to auto dealers and consumers in Wyoming and Colorado. The odometers were often rolled back more than 100,000 miles. While some of the vehicles were sold with notice of an odometer discrepancy, none were sold with information about the size of the discrepancy.

"This type of scheme defrauds consumers out of one of the biggest investments they will ever make. Dishonest dealers who roll back odometers cheat customers out of their hard-earned money, impede intelligent buying choices, and raise safety concerns by misrepresenting the true condition of the vehicles they sell," said Tony West, Assistant Attorney General for the Civil Division of the Department of Justice. "The Justice Department will seek tough sentences for those who engage in these illegal practices."

Assistant Attorney General West thanked the agencies that worked collaboratively to achieve this result. The underlying investigation was conducted by the Wyoming Department of Transportation's Office of Compliance and Investigation and the U.S. Department of Transportation's National Highway Traffic Safety Administration in Denver. The case was prosecuted by attorneys in the Office of Consumer Litigation in the Justice Department's Civil Division. The case was prosecuted by David Sullivan and Alan Phelps of the Department of Justice's Office of Consumer Litigation.

10-398

Civil Division