



UNITED STATES ATTORNEY'S OFFICE EASTERN DISTRICT OF VIRGINIA

ALEXANDRIA NEWPORT NEWS NORFOLK RICHMOND

CHUCK ROSENBERG, UNITED STATES ATTORNEY

FOR IMMEDIATE RELEASE:

February 15, 2007

*** CORRECTED**

Jim Rybicki
Public Information Officer
Phone: (703) 842-4050 Fax: (703) 549-5202
E-Mail: usavae.press@usdoj.gov
Website: www.usdoj.gov/usao/vae

Guilty Plea in Naval Research Laboratory Bribery Scheme

(Alexandria, VA) - John A. Hancock, age 55, formerly of Charles County, Maryland, and currently living in Clarksville, Tennessee, pled guilty today before United States District Judge Leonie M. Brinkema to conspiring to solicit and demand bribes in connection with his prior employment at the Naval Research Laboratory ("Research Lab") in Washington, D.C. Chuck Rosenberg, United States Attorney for the Eastern District of Virginia; Rod Baldwin, Special Agent in Charge, Naval Criminal Investigative Service; and, Charles J. Cunningham, Special Agent in Charge, FBI Richmond Field Office, also announced that sentencing has been set for April 20, 2007. The maximum potential penalty for conspiracy is five years in federal prison and a fine of \$250,000.

From approximately 1992 through 2006, Hancock worked as the material controller for the Supply Department of the Research Lab. In this role, Hancock had authority to make purchases of miscellaneous items on behalf of the Research Lab when those purchases were less than \$2,500 per purchase. In the case of more expensive procurements, Hancock had the ability to influence the choice of competing vendors and the amount of their bids.

According to court documents, from the mid 1990's through 2005, Hancock corruptly demanded and received things of value from Shannon Edgell and Michael Harrington, both of Fairfax County, in return for Hancock's agreement to direct the Research Lab's procurements to companies either owned or controlled by them. In particular, Harrington and Edgell together paid Hancock approximately \$107,000 in bribes. In order to fund the bribery and to provide additional incentive to Edgell and Harrington to participate in the scheme, Hancock permitted Edgell and Harrington to either inflate the prices they had planned to charge for the items at issue or, in some cases, to charge the Research Lab for items that were never delivered. Edgell and Harrington then split these inflated or unearned proceeds with Hancock. This conspiracy resulted in the following losses to the Research Lab: (i) approximately \$125,000, in the case of companies controlled by Harrington, and (ii) approximately \$90,000, in the case of companies controlled by Edgell.

In November 2006, Shannon Edgell pled guilty to a charge of conspiracy and will be sentenced before United States District Judge Gerald Bruce Lee on February 23, 2007. Michael Harrington is deceased.

In October 2006, Deputy Attorney General Paul J. McNulty announced the formation of a National Procurement Fraud Task Force designed to promote the early detection, identification, prevention and prosecution of procurement fraud associated with the increase in contracting activity for national security and other government programs. The Procurement Fraud Task Force chaired by Assistant Attorney General Alice S. Fisher of the Criminal Division includes the FBI, the U.S. Inspectors General community, the U.S. Attorneys office for the Eastern District of Virginia, and others.

The Hancock investigation was conducted by Special Agents of the Naval Criminal Investigative Service and the FBI. The prosecution of the case is being handled by Assistant United States Attorney Stephen Learned.

#