

UNITED STATES DISTRICT COURT
DISTRICT OF NEW JERSEY

UNITED STATES OF AMERICA : Hon.
 v. : Crim. No. 09- 717 (SDW)
 H. GALIP DEDEKARGINOGLU : 18 U.S.C. §§ 1343 and 1349,
 18 U.S.C. § 2

I N D I C T M E N T

The Grand Jury, in and for the District of New Jersey,
sitting at Newark, charges:

COUNT ONE - CONSPIRACY TO COMMIT WIRE FRAUD
(18 U.S.C. § 1349)

Certified as a true copy on
This Date: 9/24/09
By: M. [Signature]
() Clerk
(✓) Deputy

The Defendant and Co-conspirators

1. At all times relevant to this Indictment:

a. Defendant H. GALIP DEDEKARGINOGLU resided in Teaneck, New Jersey, and was the owner of a company identified herein as N.Y.M., LLC (hereinafter, "N.Y.M. Company"). Defendant H. GALIP DEDEKARGINOGLU was also the owner and president of a company identified herein as K. (hereinafter, "K. Company").

b. Atilla Kan, a co-conspirator who is not named as a defendant herein, resided in Ridgefield, New Jersey and was employed as a procurement and operations manager at N.Y.M. Company.

c. N.Y.M. Company had operations in Little Ferry, New Jersey and was registered as a United States Department of Defense ("DoD") contractor that supplied parts to the DoD. N.Y.M. Company provided various spare parts to the DoD,

including, but not limited to, automotive and ground support tractor-trailer parts for United States military vehicles.

d. K. Company had operations in Ankara, Turkey, and manufactured, imported and exported replacement parts for heavy construction equipment.

Department of Defense Contracting Generally

2. DoD, through the Defense Supply Center located in Columbus, Ohio ("DSCC"), contracted with private company contractors ("Contractors") to supply various items, including replacement parts for the United States military. As part of this process, the DSCC was responsible for requesting and receiving price quotes from the Contractors for such replacement parts in accordance with the needs of the DoD.

3. DoD solicitations specified that Contractors were required to supply an "exact product" manufactured by, or under the direction of, a specific manufacturer, called an "original equipment manufacturer" ("OEM"). DoD required the Contractors to obtain the specified parts either directly from the OEM, or from a distributor or manufacturer authorized by the OEM to sell or manufacture the parts. Each OEM-manufactured part had a unique "part number" assigned to it. The contracts also specified the part number of the item to be supplied by the Contractors.

4. The Defense Finance Accounting Service located in Columbus, Ohio, ("DFAS") was a DoD agency responsible for paying Contractors for goods and services provided to the DoD. In the normal course, once a Contractor provided parts in accordance with the terms of the DoD contract, the Contractor electronically

transmitted to DFAS an invoice indicating that delivery was made to the DoD and requesting payment. Following receipt of the invoice, DFAS would render payment to the Contractor.

The Conspiracy

5. From on or about September 12, 2001 through in or about March 2005, in Bergen County, in the District of New Jersey and elsewhere, defendant

H. GALIP DEDEKARGINOGLU

did knowingly and intentionally conspire and agree with others to devise a scheme and artifice to defraud, and to obtain money and property by means of materially false and fraudulent pretenses, representations and promises, and for the purpose of executing such scheme and artifice, to transmit and cause to be transmitted by means of wire communication in interstate commerce certain writings, signs, signals, pictures and sounds, namely invoices that were transmitted through the internet to DFAS in Ohio, in connection with contracts for parts provided by N.Y.M. Company to the DoD, contrary to Title 18, United States Code, Section 1343.

Object of the Conspiracy

6. The object of the conspiracy was for the defendant H. GALIP DEDEKARGINOGLU and his co-conspirators to substitute cheaper replacement parts for use in military operations that were not manufactured or purchased in accordance with DoD specifications in connection with procurement contracts awarded to N.Y.M. Company in order to increase N.Y.M. Company's profits.

Manner and Means of the Conspiracy

7. It was part of the conspiracy that defendant H. GALIP DEDEKARGINOGLU, Atilla Kan, N.Y.M. Company, K. Company, and others (collectively, "the Co-conspirators"), would bid on and be awarded numerous DoD contracts through N.Y.M. Company to supply replacement parts purchased directly from the OEM, or from a distributor or manufacturer authorized by the OEM to sell or manufacture the parts, for use in military operations, which primarily included automotive and tractor-trailer parts.

8. It was further part of the conspiracy that even though the DoD contracts required N.Y.M. Company to provide "exact products," also referred to as OEM-manufactured parts, the Co-conspirators would purchase substitute parts from other manufacturers or unauthorized distributors who did not meet these DoD requirements, at cheaper prices (the "Substitute Parts").

9. It was further part of the conspiracy that the Co-conspirators would re-label the packaging of the Substitute Parts to make them appear as if they were OEM-manufactured parts, before supplying them to the DoD.

10. It was further part of the conspiracy that, upon request by the DSCC to provide paperwork, called "traceability documentation," to prove the origin of the parts supplied, the Co-conspirators would provide invoices with false notations for the Substitute Parts to make them appear as if they were OEM-manufactured parts.

11. It was further part of the conspiracy that the Co-

conspirators would also purchase sample parts from OEMs and provide them to K. Company which, in turn, would manufacture less expensive copies of the parts, or arrange for copies of the parts to be produced by other manufacturers (the "Reverse-Engineered Parts").

12. It was further part of the conspiracy that the Co-conspirators would label the packaging of the Reverse-Engineered Parts to make them appear as if they were OEM-manufactured parts before supplying them to the DoD.

13. It was further part of the conspiracy that, upon request by the DSCC to provide traceability documentation, the Co-conspirators would provide false invoices for the Reverse-Engineered Parts to make them appear as if they were OEM-manufactured parts.

14. It was further part of the conspiracy that the Co-conspirators would transmit and cause to be transmitted by means of wire communication in interstate commerce, namely the internet, N.Y.M. Company invoices from New Jersey to DFAS in Ohio, requesting payment in connection with the Substitute Parts and the Reverse-Engineered Parts supplied to the DoD, which had been falsely represented to be OEM parts. Receipt of these invoices would cause DFAS to generate electronic funds transfers from DFAS in Columbus, Ohio to N.Y.M. Company's bank account at JP Morgan Chase in New York.

In violation of Title 18, United States Code, Section 1349.

COUNTS TWO THROUGH SIX - WIRE FRAUD
(18 U.S.C. §§ 1343 and 2)

1. The allegations set forth in Paragraphs 1 through 4 and 6 through 14 of Count 1 of this Indictment are realleged and incorporated herein.

2. On or about the dates listed below, in Bergen County, in the District of New Jersey, and elsewhere, having devised and intending to devise a scheme and artifice to defraud and for obtaining money and property by means of materially false and fraudulent pretenses, representations and promises, defendant

H. GALIP DEDEKARGINOGLU,

for the purpose of executing such scheme and artifice, did knowingly and with fraudulent intent cause to be transmitted by means of wire communication in interstate commerce certain writings, signs, signals, pictures and sounds, namely invoices that were transmitted via the internet from New Jersey to DFAS in Ohio, requesting payments on contracts for parts provided by N.Y.M. Company to the DoD, as set forth below by Count:

<u>Count</u>	<u>Transmittal Date</u>	<u>Invoice Amount</u>	<u>Contract Number</u>	<u>Description of Parts to be Supplied under Contract</u>
2	12/9/04	\$4,875	SP0750-05-V-2271	15 brake drums manufactured by either a company identified herein as N.M.C.W. or a company identified herein as A.I.I.
3	12/10/04	\$3,213	SP0740-03-D-5F26	28 windshield washer pumps manufactured by N.M.C.W.
4	12/23/04	\$2,850	SP0930-05-V-4693	125 assembly switches manufactured by N.M.C.W.

<u>Count</u>	<u>Transmittal Date</u>	<u>Invoice Amount</u>	<u>Contract Number</u>	<u>Description of Parts to be Supplied under Contract</u>
5	2/7/05	\$3,278	SP0740-03-D-5E35-0003	65 fuel filter bases manufactured by N.M.C.W.
6	2/10/05	\$2,305	SP0760-04-D-5M92-0003	12 filter elements manufactured by a company identified herein as P.C.I.

All in violation of Title 18, United States Code, Section 1343 and Section 2.

A TRUE BILL

Ralph J. Marra, Jr.
 RALPH J. MARRA, JR.
 Acting United States Attorney

CASE NUMBER: 09-

**United States District Court
District of New Jersey**

UNITED STATES OF AMERICA

v.

H. GALIP DEDEKARGINOGLU

INDICTMENT FOR

**18 U.S.C. § 1343, 18 U.S.C. § 1349,
18 U.S.C. § 2**

A True Bill.

foreperson

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ACTING U.S. ATTORNEY
NEWARK, NEW JERSEY

CHRISTINE I. MAGDO
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