

IN THE UNITED STATES DISTRICT COURT
FOR THE DISTRICT OF NEW JERSEY

UNITED STATES OF AMERICA : Hon.
v. : Criminal No. 10-
ROBERT FIRESTONE : 18 U.S.C. § 371

I N F O R M A T I O N

The defendant having waived in open court prosecution by Indictment, the United States Attorney for the District of New Jersey charges:

1. At all times relevant to this Information:

a. Defendant ROBERT FIRESTONE (hereinafter, "defendant FIRESTONE") was an Equipment Manager for Elizabeth Public Schools in Elizabeth, New Jersey (hereinafter, "Elizabeth"). In his capacity as the Equipment Manager, defendant FIRESTONE was responsible for, among other things, verifying, and acknowledging by signature, that Elizabeth's purchases of athletic equipment and sports equipment reconditioning services from vendors had been received or provided, prior to payment for such equipment and services by Elizabeth.

b. Circle System Group, Inc., was a privately owned Pennsylvania corporation with its principal offices in Easton, Pennsylvania (hereinafter, "Circle"). Circle was engaged in the

business of selling and reconditioning athletic equipment, uniforms and apparel. Although Circle's products and reconditioning services were marketed nationally, a large portion of its sales of athletic equipment and reconditioning services were to high schools, colleges, and youth sports programs in New Jersey.

The Conspiracy to Commit Mail Fraud

2. From at least in or about February 2006 to in or about April 2007, in Union County, in the District of New Jersey, and elsewhere, defendant

ROBERT FIRESTONE

and others, including individuals associated with Circle, knowingly and intentionally combined, conspired, confederated and agreed to commit offenses against the United States, namely, 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 utilize the United States mails and private and commercial interstate carriers, contrary to Title 18, United States Code, Section 1341.

The Object of the Conspiracy

3. The principal object of the conspiracy was to obtain money and other things of value for Circle, and for defendant FIRESTONE, by means of a number of fraudulent business practices,

including the submission of fraudulent billing invoices by Circle to Elizabeth. This fraudulent practice will be described in more detail below.

Means and Methods of the Conspiracy

4. In an effort to increase Circle's sales, Circle offered school purchasing officials, such as defendant FIRESTONE, a means by which they could, through Circle's creation of fraudulent paperwork for submission to the schools, use money in their budgets so that it would appear that the money had been used for budgeted items in the current fiscal year, when in fact it would be used either (i) in the next fiscal year for whatever goods and reconditioning services that the school purchasing officials wanted to purchase, or (ii) in the current fiscal year for goods and reconditioning services different from those for which the money had been budgeted.

5. During the course of the conspiracy, Circle, with the knowledge and approval of defendant FIRESTONE, submitted fraudulent invoices to Elizabeth for new equipment purchases and reconditioning services in amounts greater than what had actually been performed. After defendant FIRESTONE approved these fraudulent invoices for payment, and after Elizabeth paid these fraudulent invoices via mail, facsimile or commercial carrier, Circle credited the excess amount to Elizabeth's internal account at Circle so that defendant FIRESTONE could use that credit to

purchase goods and reconditioning services for Elizabeth at a later time, or to purchase goods for defendant FIRESTONE's personal use and benefit. The existence of this credit was not known to those at the Elizabeth Board of Education who were responsible for paying Circle's invoices, and when this credit was subsequently used, Circle did not send invoices to Elizabeth reflecting the later purchases.

6. On occasion, defendant FIRESTONE requested that Circle use portions of Elizabeth's credit to purchase and provide defendant FIRESTONE with merchandise for the personal benefit of himself and others. In some instances, Circle submitted, via mail, facsimile and commercial carrier, to Elizabeth fraudulently inflated invoices to reimburse Circle for personal items and merchandise already given to defendant FIRESTONE.

7. During the course of the conspiracy, defendant FIRESTONE received more than \$7,000 in merchandise for the benefit of himself and others, including various types of electronic equipment, clothing and athletic apparel, which merchandise was actually paid for with Elizabeth funds.

Overt Acts

8. In furtherance of the conspiracy and to effect its unlawful objects, defendant FIRESTONE and others, committed the following overt acts, among others, in the District of New Jersey and elsewhere:

a. In or about February 2006, defendant FIRESTONE accepted from Circle various articles of clothing, athletic apparel and shoes, having a value of approximately \$750, for the benefit of himself and others. These items were charged to Elizabeth, as set forth in Paragraph 5, above, deducted from the credit that was created through the fraudulent invoices paid by Elizabeth.

b. In or about November 2006, defendant FIRESTONE approved a fraudulent invoice, submitted by Circle to Elizabeth, in the amount of approximately \$70,910. Of this amount, Elizabeth received approximately \$53,290 of equipment and reconditioning services, thereby creating a credit of approximately \$17,619. A portion of this credit was used to purchase some of the aforementioned personal items for defendant FIRESTONE.

c. In or about December 2006, defendant FIRESTONE requested and accepted from Circle a flat-panel television and a Bose radio system, having a cumulative value of approximately \$3,545, for the benefit of himself and others. Thereafter, Circle charged Elizabeth \$3,545, which was deducted from Elizabeth's credit that was created through the fraudulent invoices paid by the school.

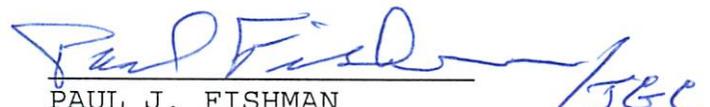
d. In or about January 2007, defendant FIRESTONE requested and accepted a digital camera, having a value of

approximately \$480, for the benefit of himself and others. Thereafter, Circle charged Elizabeth approximately \$480, which was deducted from Elizabeth's credit that was created through the fraudulent invoices paid by the school.

e. In or about February 2007, defendant FIRESTONE requested and accepted various articles of clothing and athletic apparel, having a value of more than \$1,000, for the benefit of himself and others. Thereafter, Circle charged Elizabeth \$1,000, which was deducted from Elizabeth's credit that was created through the fraudulent invoices paid by the school.

f. In or about April 2007, defendant FIRESTONE approved several fictitious invoices, submitted by Circle to Elizabeth, purporting that Elizabeth had received approximately \$16,900 in new equipment. These invoices created a corresponding credit of \$16,900. Approximately \$480 of this credit was used to purchase articles of clothing and apparel for defendant FIRESTONE.

In violation of Title 18, United States Code, Section 371.


PAUL J. FISHMAN
UNITED STATES ATTORNEY

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INFORMATION

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