

Department of Justice

United States Attorney William J. Hochul, Jr.
Western District of New York

FOR IMMEDIATE RELEASE
OCTOBER 31, 2012
www.usdoj.gov/usao/nyw

CONTACT: BARBARA BURNS
PHONE: (716) 843-5817
FAX: (716) 551-3051

NEARLY \$1 MILLION PAID BY LAFARGE NORTH AMERICA, INC. TO RESOLVE FEDERAL CASE

BUFFALO, N.Y.-- U.S. Attorney William J. Hochul, Jr. announced today that Lafarge North America, Inc., (LNA), a national supplier of building and construction materials and manufacturer of concrete and concrete products, has paid \$950,000 to the United States to resolve potential civil claims by the United States under the False Claims Act.

Assistant U.S. Attorney MaryEllen Kresse, who handled the case, stated that the matter involved highway construction projects in the Western District of New York which were funded, in part, by federal funds via the Federal Highway Administration (FHWA). This required that a certain percentage of the work be performed by Disadvantaged Business Enterprises (DBE).

Rayford Enterprises, Inc., d/b/a Rayford Concrete Products, ("Rayford"), a Buffalo company, was awarded subcontracts on these construction projects based on its representations that it was a DBE manufacturer of concrete. Rayford was not, in fact, a manufacturer of concrete, nor did the company have a concrete batching facility or other equipment necessary to manufacture concrete. Instead, Rayford had an agreement with Lafarge North America to manufacture and deliver concrete for these projects. Lafarge North America is not a DBE.

"As a result of today's settlement, a case that began with allegations of fraud by a local business is now fully resolved to the benefit of all involved," said U.S. Attorney Hochul. "Our Office takes very seriously the fraud of government programs, and we will continue to protect the public by ensuring that federal programs, including the Disadvantaged Business Enterprise program, are not abused."

The settlement is the result of an investigation by the United States Department of Transportation, Office of the Inspector General, under the direction of Special Agent-in-Charge Douglas Shoemaker, and the Federal Bureau of Investigation, under the direction of Special Agent-in-Charge Christopher M. Piehota.

###