



Department of Justice

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CONSTRUCTION COMPANY OWNER PLEADS GUILTY TO BRIBING POSTAL OFFICIAL IN EXCHANGE FOR CONTRACTS

COLUMBUS – Jeffrey G. Baker, 43, of Columbia Station, Ohio pleaded guilty in United States District Court here to one count of misprision of a felony for not reporting that he was paying a contracting officer with the U.S. Postal Service to secure contracts for his company.

Carter M. Stewart, United States Attorney for the Southern District of Ohio, Keith L. Bennett, Special Agent in Charge of the Cincinnati Division of the Federal Bureau of Investigation (FBI); and Elizabeth A. Farcht, Special Agent in Charge, U.S. Postal Service, Office of Inspector General, Eastern Area Field Office, (USPS-OIG) announced the plea entered yesterday before U.S. District Judge Gregory L. Frost.

Baker faces a sentence of up to three years imprisonment, a fine of up to \$250,000 and up to one year of supervised release.

Baker owns Margus Company, an industrial and commercial contractor based in Cleveland that specializes in concrete and carpentry work. According to a statement of facts read at Baker's hearing, Ashvin Shah worked for the U.S. Postal Service in Columbus as an in-house construction project manager/contracting official. Between January, 2005 and June, 2009, Shah solicited bribes from construction companies doing business with, and desiring to do business with, the Postal Service. One such company solicited by Shah was Margus Company.

In late 2008, agents from the Postal Service Office of Inspector General and from the FBI received information that Baker and Margus Company were among several individuals and construction companies involved in a scheme to pay bribes to Shah. As part of the investigation into the bribery allegations, FBI special agents interviewed Shah on June 26, 2009. Although Shah denied being involved in bribery while serving as a Postal Service Architect/Engineer, he committed suicide within 12 hours of being interviewed.

In July 2009, FBI and USPS-OIG agents interviewed Baker. During the interview, Baker stated he used funds derived from Margus Company to pay bribes solicited by Shah because his company needed the Postal Service construction project work. Baker said he knew this arrangement was not right, but did not inform federal law enforcement authorities about Shah's bribery scheme. Baker admitted he paid Shah approximately \$50,000.00 in cash over a four-year period to get Postal Service construction contracts, some of which were for projects in the Southern District of Ohio. Baker stated the amounts of the bribes varied, but usually were around \$5,000.00, with the largest payment being \$7, 200.00.

Stewart commended the cooperative investigation by FBI and Postal Service Inspector General special agents, and Assistant U.S. Attorney Dale E. Williams Jr., who is prosecuting the case.