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For Immediate Release

October 26, 2011

QUI TAM RELATOR SENTENCED TO TWO YEARS IN PRISON FOR MAKING FALSE STATEMENTS TO THE GOVERNMENT

PHILADELPHIA – William G. Burch, 53, of Tulsa, Oklahoma, was sentenced today to two years in prison for making false statements to the Antitrust Division of the Department of Justice, announced United States Attorney Zane David Memeger. Burch, a former employee of Champion Laboratories, Inc. (“Champion”), was fired in January 2006 for falsifying his travel vouchers. Two years after Champion fired him, in March 2008, Burch filed a qui tam lawsuit against Champion and other auto filter manufacturers, claiming that Champion and its competitors had conspired to fix prices. At the time, Burch’s lawsuit against Champion for wrongful termination was pending. To satisfy his own grievances against his former employer, and to force a settlement of his lawsuit, Burch falsified evidence, presented it to federal prosecutors, and then lied about it.

In order to bolster his claim of price fixing by prompting a parallel criminal investigation, Burch doctored a price increase letter of one of Champion’s competitors, Honeywell, and submitted that falsified letter to the Antitrust Division of the Department of Justice. Burch lied to the prosecutors, telling them that the price increase letter had been faxed to him by one of his supervisors at Champion on the date of the false fax header, before the date on the letter, and before the price increase was public. Burch altered the letter and lied about when he received it, with the hope of persuading the Antitrust Division to open a criminal grand jury investigation into price fixing in the replacement filters market. In accordance with Burch’s unlawful scheme, the Division did in fact open a grand jury investigation, which it would not have done had it been aware that Burch had falsified the price increase letter. The investigation was closed once the Division learned from Honeywell that the price increase letter could not have been faxed to Burch on the date he claimed, as it did not even exist then.

U.S. District Court Judge Timothy J. Savage imposed the two-year prison sentence, ordering the defendant to report to prison in late December 2011. Judge Savage also sentenced Burch to pay a fine of \$30,000 and restitution of \$83,669.08 to the United States. The restitution represents the salaries paid to the Antitrust Division prosecutors for their work on the wasted grand jury investigation.

The case was investigated by the Federal Bureau of Investigation and is being prosecuted by Assistant United States Attorney Mary E. Crawley.

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