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UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF NEW YORK

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UNITED STATES OF AMERICA

v.

JAMES M. WOODASON,

Defendant.

----------x

: Criminal No.

: Filed:

: 10 CRIM 1156

: Violations: 18 U.S.C. § 371
18 U.S.C. § 666(a)(1)(B)
26 U.S.C. § 7201

INFORMATION

The United States of America, acting through its attorneys, charges:

1. James M. Woodason ("WOODASON") is hereby made a defendant on the charges stated below.

COUNT ONE -- CONSPIRACY
(18 U.S.C. § 371)

I. RELEVANT PARTIES AND ENTITIES

During the period covered by this Count:

2. Defendant WOODASON resided in Edison, New Jersey.

3. Defendant WOODASON was employed by Consolidated Edison of New York ("Con Edison"). WOODASON held the position of Department Manager of Purchasing in Con Edison's headquarters in Manhattan and, in that capacity, WOODASON purchased equipment and materials and managed inventory on behalf of Con Edison.

4. "CC-1" and "CC-2" were co-conspirators who co-owned an industrial pipe supply company located in Edison, New Jersey ("Supplier-1") that supplied industrial pipes, valves and fittings and other materials to Con Edison.

5. CW was an independent sales broker specializing in selling industrial pipe materials such as steel pipes, bends and sleeves to customers such as Con Edison throughout the relevant period.

6. Whenever in this Information reference is made to any act, deed or transaction of any corporation, such allegation shall be deemed to mean that the corporation engaged in such act, deed or transaction by or through its officers, directors, agents, employees, or representatives while they were actively engaged in the management, direction, control or transaction of its business or affairs.

7. Various other persons, not made defendants herein, participated as co-conspirators in the offense charged herein and performed acts and made statements in furtherance thereof.

II. BACKGROUND

8. Con Edison, which is headquartered in Manhattan, is a regulated utility that provides electric and natural gas service to areas throughout New York City and Westchester County. It is a subsidiary of Consolidated Edison, Inc., which is the nation's largest investor-owned energy company. Con Edison provides electric service to approximately 3.2 million customers and gas service to approximately 1.1 million

customers in New York City and Westchester County. Con Edison received federal funding in excess of $10,000 in each year between 2003 through 2010.

9. Con Edison had a competitive bidding policy that required its purchasing departments and their employees to obtain competitive bids in the procurement of materials and supplies for Con Edison. The purpose of the bidding policy was to ensure that Con Edison obtained products and services at competitive, fair market prices.

10. Con Edison maintained a "Code of Ethics" that stated that Con Edison employees could not engage in conduct that created a conflict of interest, such as when the employee and/or a member of his/her family "receive[d] improper personal benefits as a result of [the employee's] position with Con Edison." Additionally, Con Edison had a "Standard of Business Conduct" that stated that "[n]either employees nor members of their families or households may accept or give gifts or benefits ... when they are offered on the basis of a current or potential business relationship with Con Edison." Both documents created an ongoing obligation for WOODASON to disclose any compensation from any supplier to Con Edison.

11. As a Department Manager of Purchasing at Con Edison, defendant WOODASON was responsible for purchasing millions of dollars in goods and services annually for Con Edison, all in accordance with Con Edison's policies and procedures, including adhering to Con Edison's competitive bidding policy, Code of Ethics and Standard of Business Conduct.

III. DESCRIPTION OF THE OFFENSE

12. From approximately January 2009 to approximately August 2010, within the Southern District of New York, and elsewhere, the defendant, JAMES M. WOODASON, and co-conspirators unlawfully, willfully, and knowingly did combine, conspire, confederate, and agree together and with each other to commit offenses against the United States of America, to wit, to violate Title 18, United States Code, Sections 666(a)(1)(B), 1343 and 1346, all in violation of Title 18, United States Code, Section 371.

13. It was a part and object of the conspiracy that defendant WOODASON, being an agent of an organization that received benefits in excess of $10,000 in any one year period under a Federal program involving a grant, contract, subsidy, loan, guarantee, insurance, and other form of Federal assistance, did knowingly, intentionally and corruptly solicit and demand for the benefit of any person, and accept and agree to accept, anything of value, to wit, United States currency, from any person, with the intent to be influenced and rewarded in connection with any business, transaction, and series of transactions of such organization involving any thing of value of $5,000 or more, in violation of Title 18, United States Code, Section 666(a)(1)(B).

14. It was a part and an object of the conspiracy that defendant WOODASON and his co-conspirators, and others known and unknown, unlawfully, willfully, and knowingly, having devised and intending to devise a scheme and artifice to defraud Con Edison, including a scheme to deprive Con Edison of its right to the honest and faithful

services of WOODASON through bribery and the concealment of material information, and for obtaining money and property from Con Edison by means of false and fraudulent pretenses, representations, and promises, for the purpose of executing such scheme and artifice, and attempting to do so, would and did transmit and cause to be transmitted by means of wire communication in interstate commerce, writings, signs, signals and sounds, in violation of Title 18, United States Code, Sections 1343 and 1346.

IV. PURPOSE OF THE SCHEME

15. The purpose of the scheme and artifice was for the defendant WOODASON to secretly use his official position to enrich himself by soliciting and accepting gifts, payments, and other things of value from CC-1 and CC-2 in exchange for favorable official action, and for CC-1 and CC-2 to enrich themselves by secretly obtaining favorable official action for their company (Supplier-1) through corrupt means.

V. THE MANNER AND MEANS BY WHICH THE CONSPIRACY WAS CARRIED OUT

The manner and means by which the conspiracy was sought to be accomplished included, among others, the following:

16. During some or all of the period between approximately January 2009 until approximately August 2010, defendant WOODASON agreed to provide favorable official action on behalf of Supplier-1 by steering a three-year Con Edison pipe supply contract to Supplier-1 in exchange for which WOODASON solicited and agreed to accept a bribe of approximately $510,000 from CC-1, CC-2 and Supplier-1. WOODASON, CC-1, CC-2

and Supplier-1 agreed that the bribe would be paid in monthly installments over the life of the contract. CW acted as the intermediary between WOODASON and CC-1, CC-2 and Supplier-1.

17. Defendant WOODASON steered the Con Edison industrial pipe supply contract to CC-1, CC-2 and Supplier-1 by secretly providing them with confidential competitor bid information, through CW, which they used in formulating their bid. As a result, Con Edison did not receive competitive bid prices from Supplier-1 since Supplier-1 submitted its final bid based on its knowledge of the lowest bidder's prices, rather than based on its own independent competitive bid pricing which could have contained lower prices.

18. Defendant WOODASON steered the three-year industrial pipe contract to Supplier-1 on or about September 18, 2009, under two purchase orders, with a combined value of $16.3 million.

19. As part of the conspiracy and in exchange for bribe payments from CC-1, CC-2 and Supplier-1, defendant WOODASON also steered a smaller industrial pipe contract to Supplier-1 in or about June 2010 that had a value of approximately $2 million. WOODASON disqualified the lowest bidder under false pretenses in order to award this contract to Supplier-1.

20. In exchange for defendant WOODASON's efforts to provide favorable official action by steering these industrial pipe supply contracts to Supplier-1, CC-1 and

CC-2 agreed to provide WOODASON with a monthly cash bribe payment of approximately 2.5% of the orders shipped to and paid for by Con Edison in that month. WOODASON, CC-1 and CC-2 agreed, through CW, that WOODASON would receive a minimum bribe payment of approximately $10,000 each month that would increase up to $15,000 per month if annual sales were on target to meet the anticipated annual contract value.

21. Defendant WOODASON took steps to hide, conceal, and cover up his activity and the nature and scope of his dealings with CC-1, CC-2 and Supplier-1, including meeting CW and CC-1 after business hours in the parking lot of a restaurant located in New Jersey to accept envelopes containing cash bribe payments. At no time did defendant WOODASON or his co-conspirators disclose to Con Edison WOODASON's receipt of the bribe payments from CC-1, CC-2 or Supplier-1, or that WOODASON was steering contracts to Supplier-1. All such payments were made without the knowledge or approval of Con Edison, and in violation of WOODASON's duty of loyalty to Con Edison and his obligations under Con Edison's Code of Ethics and Standard of Business Conduct.

22. As a result of this scheme, Con Edison was deprived of its right to the honest and faithful services of defendant WOODASON and paid higher prices for the materials it purchased than it would have if WOODASON had aggressively and honestly solicited competitive prices from other vendors.

23. The conspiracy ended on August 5, 2010 when defendant WOODASON was

arrested. WOODASON had received approximately $45,000 of the $510,000 in anticipated cash bribe payments from CC-1, CC-2 and their company, Supplier-1, through CW.

VI. OVERT ACTS

24. In furtherance of the conspiracy and to effect the illegal objects thereof, defendant WOODASON and his co-conspirators, and others known and unknown, committed the following overt acts, among others, in the Southern District of New York and elsewhere:

(a) On numerous occasions between approximately January 2009 until approximately August 2010, WOODASON met and engaged in telephone conversations with CW wherein WOODASON and CW arranged for WOODASON to accept a bribe from CC-1 and CC-2 in return for his role in awarding the three-year industrial pipe contract to Supplier-1;

(b) On or about September 18, 2009, WOODASON caused Con Edison to generate two purchase orders to be issued to Supplier-1, once authorization to purchase had been approved by Con Edison, with a total combined value of $16,300,000;

(c) On or about October 19, 2009, WOODASON authored an internal Con Edison document titled "Request For Authorization to Purchase," wherein WOODASON recommended that Supplier-1 be awarded the pipe supply contract with a stated value of $15.7 million;

(d) On November 5, 2009, CW called from CW's cell phone to the business phone number of Supplier-1 and spoke to both CC-1 and CC-2. In that conversation, CW pointed out that Supplier-1 will be receiving 7.5 percent in profit and giving 2.5 percent to defendant WOODASON, to which CC-2 agreed.;

(e) On January 11, 2010, defendant WOODASON traveled from his office at Con Edison in Manhattan to Union, New Jersey to meet with CW and CC-1 at Benito Restaurant to discuss the scheme and accept a payment. At that meeting, WOODASON accepted a bribe payment of $7,000;

(f) On or about January 12, 2010, pursuant to the scheme, CC-1 and CC-2 both signed two Con Edison purchase orders issued to Supplier-1 and dated September 18, 2009, with a total combined value of $16,300,000, and faxed them from Supplier-1's offices in New Jersey to Con Edison in Manhattan;

(g) On about March 25, 2010, pursuant to the scheme, CW called from CW's cell phone from New Jersey to the cell phone of defendant WOODASON at his office in Con Edison in Manhattan, and informed WOODASON that Supplier-1 was ready to make a bribe payment on April 15, 2010;

(h) On April 22, 2010, defendant WOODASON met with CW at Benito Restaurant and accepted a bribe payment of $10,000; and

(i) On May 25, 2010, defendant WOODASON met with CW at Benito Restaurant and accepted a bribe payment of $8,000.

IN VIOLATION OF TITLE 18, UNITED STATES CODE, SECTION 371

COUNT TWO -- BRIBERY
(18 U.S.C. § 666(a)(1)(B))

The United States of America further charges:

25. Paragraphs 1 through 3 and 8 through 11 of Count One of this Information are repeated, realleged, and incorporated in Count Two as if fully set forth in this Count.

During the period covered by this Count:

26. "CC-1" and "CC-2" co-owned an industrial pipe supply company located in Edison, New Jersey ("Supplier-1") that supplied industrial pipes, valves and fittings and other materials to Con Edison.

27. On or about August 4, 2010, in the Southern District of New York and elsewhere, defendant WOODASON, being an agent of an organization that received benefits in excess of $10,000 in any one year period under a Federal program involving a grant, contract, subsidy, loan, guarantee, insurance, and other form of Federal assistance, did knowingly, intentionally and corruptly solicit and demand for the benefit of any person, and accept and agree to accept, anything of value, from any person, with the intent to be influenced and rewarded in connection with any business, transaction, and series of transactions of such organization involving any thing of value of $5,000 or more: to wit, defendant WOODASON, being a Department Manager of Purchasing for Con Edison, intentionally and corruptly solicited, accepted and agreed to accept $20,000 in U.S. currency from CC-1, CC-2 and Supplier-1 intending to be influenced and rewarded in

connection with a Con Edison industrial pipe supply contract to Supplier-1.

IN VIOLATION OF TITLE 18, UNITED STATES CODE, SECTION 666(a)(1)(B))

COUNT THREE -- CONSPIRACY
(18 U.S.C. § 371)

I. RELEVANT PARTIES AND ENTITIES

The United States of America further charges:

28. Paragraphs 1 through 3 and 5 through 11 of Count One of this Information are repeated, realleged, and incorporated in Count Three as if fully set forth in this Count.

During the period covered by this Count:

29. CW was a co-conspirator who resided in Florham Park, New Jersey. CW was employed by an industrial pipe supply company that was located in Lyndhurst, New Jersey ("Supplier-2"), under a five-year consultancy contract under which he was principally responsible for negotiating and managing Supplier-2's industrial pipe supply contracts with some of its customers, including Supplier-2's customer, Con Edison.

30. "CC-3" was a co-conspirator who was the owner and an officer of Supplier-2.

II. DESCRIPTION OF THE OFFENSE

31. From approximately November 2003 to approximately August 2008, the exact dates being unknown to the United States, in the Southern District of New York and elsewhere, defendant WOODASON and his co-conspirators, and others known and unknown, did unlawfully, wilfully and knowingly combine, conspire, confederate, and

agree, together and with each other, to commit offenses against the United States, to wit, to violate Title 18, United States Code, Sections 666(a)(1)(B), 1343 and 1346, in violation of Title 18, United States Code, Section 371.

32. It was a part and object of the conspiracy that defendant WOODASON, being an agent of an organization that received benefits in excess of $10,000 in any one year period under a Federal program involving a grant, contract, subsidy, loan, guarantee, insurance, and other form of Federal assistance, did knowingly, intentionally and corruptly solicit and demand for the benefit of any person, and accept and agree to accept, anything of value, to wit, United States currency, from any person, with the intent to be influenced and rewarded in connection with any business, transaction, and series of transactions of such organization involving any thing of value of $5,000 or more, in violation of Title 18, United States Code, Section 666(a)(1)(B).

33. It was a part and an object of the conspiracy that defendant WOODASON and his co-conspirators, and others known and unknown, unlawfully, willfully, and knowingly, having devised and intending to devise a scheme and artifice to defraud Con Edison, including a scheme to deprive Con Edison of its right to the honest and faithful services of WOODASON through bribery and the concealment of material information, and for obtaining money and property from Con Edison by means of false and fraudulent pretenses, representations, and promises, for the purpose of executing such scheme and artifice, and attempting to do so, would and did transmit and cause to be transmitted by

means of wire communication in interstate commerce, writings, signs, signals and sounds, in violation of Title 18, United States Code, Sections 1343 and 1346.

III. PURPOSE OF THE SCHEME

34. The purpose of the scheme and artifice was for the defendant WOODASON to secretly use his official position to enrich himself by soliciting and accepting gifts, payments, and other things of value from CC-3 and CW in exchange for favorable official action, and for CC-3 and CW to enrich themselves by secretly obtaining favorable official action for themselves and CC-3's company (Supplier-2) through corrupt means.

IV. THE MANNER AND MEANS BY WHICH THE CONSPIRACY WAS CARRIED OUT

The manner and means by which the conspiracy was sought to be accomplished included, among others, the following:

35. During some or all of the period between approximately November 2003 and approximately August 2008, defendant WOODASON agreed to secretly provide favorable official action on behalf of Supplier-2 by steering a three-year Con Edison pipe supply contract to Supplier-2 in exchange for which WOODASON solicited and accepted a bribe of approximately $297,000 in cash from CC-3.

36. Defendant WOODASON steered Con Edison industrial pipe supply contracts to Supplier-2 by secretly showing CW confidential competitor bid information so that Supplier-2 could revise its bid prices. As a result, Con Edison did not receive competitive bid prices from Supplier-2 since Supplier-2 submitted its final bid based on its knowledge

of the lowest bidder's prices, rather than based on its own independent competitive bid pricing which could have contained lower prices. In exchange for WOODASON's efforts to steer industrial pipe supply contracts and sales to Supplier-2 , WOODASON, CW, and CC-3 agreed that WOODASON would receive a monthly cash bribe payment of approximately 1% to 1.5% of Supplier-2's invoices paid by Con Edison in that month.

37. Defendant WOODASON received the cash bribe payments from Supplier-2 at monthly dinner meetings between CW and WOODASON. Each month, CC-3 calculated the cash bribe due to WOODASON based on the agreed upon payout of 1% to 1.5% of Con Edison orders shipped in the previous month. After confirming with CC-3 that the cash was ready to be delivered to WOODASON, CW called WOODASON at WOODASON's office in Manhattan to schedule a dinner meeting with WOODASON at a restaurant in New Jersey. CC-3 provided the cash bribe payment in an envelope to CW. During dinner, or just prior to the dinner in the parking lot of the restaurant, WOODASON accepted from CW the envelope containing the cash bribe payment that was prepared by CC-3.

38. Defendant WOODASON took steps to hide, conceal, and cover up his activity and the nature and scope of his dealings with CC-3, CW and Supplier-2, including meeting CW after business hours in restaurants located in New Jersey, or in the parking lots of those restaurants, to accept envelopes containing cash bribe payments. At no time did WOODASON or his co-conspirators disclose to Con Edison WOODASON's receipt

of the bribe payments from CC-3, CW and Supplier-2. All such payments were made without the knowledge or approval of Con Edison, and in violation of WOODASON's duty of loyalty to Con Edison and his obligations under Con Edison's Code of Ethics and Standard of Business Conduct.

V. OVERT ACTS

39. In furtherance of the conspiracy and to effect the illegal objects thereof, the defendant and his co-conspirators, and others known and unknown, committed the following overt acts, among others, in the Southern District of New York and elsewhere:

(a) On numerous occasions between approximately November 2003 and approximately August 2008, defendant WOODASON caused Con Edison to issue purchase orders, and Supplier-2 issued invoices, relating to the industrial pipe supply contracts with Con Edison. Many of these invoices and purchase orders were sent via facsimile or e-mail. Many of these invoices were sent to Con Edison's offices in Manhattan from Supplier-2's offices in New Jersey, and many of these purchase orders were sent from Con Edison's offices in Manhattan to Supplier-2's offices in New Jersey;

(b) On numerous occasions between approximately November 2003 to approximately August 2008, defendant WOODASON met with CW at restaurants in New Jersey where WOODASON accepted bribe payments prepared by CC-3 on behalf of Supplier-2;

(c) On or about June 15, 2004, an employee of Supplier-2 sent an e-mail

with Supplier-2's revised bid for the five-year industrial pipe supply contract to a Con Edison employee;

(d) On or about July 16, 2004, defendant WOODASON signed a Request for Authorization to Purchase, dated July 9, 2004, recommending that Con Edison enter into a five-year industrial pipe supply contract with Supplier-2 valued at $18,000,000;

(e) On or about July 29, 2004, defendant WOODASON caused the July 9, 2004 Request for Authorization to Purchase to be e-mailed to another Con Edison employee for approval; and

(f) On or about March 15, 2007, defendant WOODASON caused Con Edison to e-mail a modification of the industrial pipe supply contract to increase its value from $18,000,000 to $22,500,000 to another Con Edison employee in Manhattan.

IN VIOLATION OF TITLE 18, UNITED STATES CODE, SECTION 371

COUNT FOUR -- TAX EVASION
(26 U.S.C. § 7201)

The United States of America further charges:

40. Paragraphs 1 through 3 and 8 through 11 of Count One of this Information are repeated, realleged, and incorporated in Count Four as if fully set forth in this Count.

During the period covered by this Count:

41. "Supplier-2" was an industrial pipe supply company located in Lyndhurst, New Jersey that was awarded industrial pipe supply contracts by Con Edison.

42. "CC-3" was the owner and an officer of Supplier-2.

43. During some or all of the period between approximately November 2003 and approximately August 2008, CC-3, Supplier-2 and others, known and unknown, provided approximately $297,000 in cash bribes to defendant WOODASON in exchange for which WOODASON steered Con Edison industrial pipe supply contracts and sales to Supplier-2.

44. Defendant WOODASON did not report his receipt of any of the value of the $297,000 in cash bribes that he received from CC-3 and Supplier-2 on his U.S. Individual Income Tax Returns. As a result, those tax returns substantially under reported the taxable income and the correct amount of tax due and owing from WOODASON.

45. On or about the filing dates set forth below, in the Southern District of New York and elsewhere, defendant WOODASON, unlawfully, knowingly and willfully, would and did attempt to evade and defeat a substantial part of the income tax due and owing by him to the United States for the tax years set forth below by various means, including, among other things, by preparing and causing to be prepared, by signing and causing to be signed, and by filing and causing to be filed with the Internal Revenue Service, false and fraudulent United States Individual Income Tax Returns, Forms 1040, for each of the calendar years 2004, 2005, 2006, 2007, and 2008 wherein WOODASON failed to report as income bribe payments he had received from CC-3 and Supplier-2, whereas, as WOODASON then and there well knew and believed, the correct taxable

income and correct tax due and owing for those calendar years was substantially in excess of the amounts reported, as set forth below:

Filing Date	Tax Year	Reported Taxable Income	Reported Tax Due and Owing	Corrected Taxable Income	Additional Tax Due and Owing
04/15/05	2004	$ 92,110	$ 20,395	$ 94, 310	$ 616
04/15/06	2005	$ 69,991	$ 14,132	$ 101,749	$ 8,823
04/15/07	2006	$ 77,867	$ 16,066	$ 159,284	$ 22,990
04/15/08	2007	$ 79,637	$ 16,293	$ 226,624	$ 44,394
04/15/09	2008	$ 86,975	$ 18,159	$ 128,792	$ 11,703

IN VIOLATION OF TITLE 26, UNITED STATES CODE, SECTION 7201

Dated:

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