

UNITED STATES DISTRICT COURT
NORTHERN DISTRICT OF MISSISSIPPI

UNITED STATES OF AMERICA

v.

CRIMINAL NO. 1:25cr00013-SA-DAS

ROBERT DOUGLAS HEFLIN

15 U.S.C. § 1

PLEA AGREEMENT

The United States of America and Robert Douglas Heflin (“defendant”) hereby enter into the following Plea Agreement pursuant to Rule 11(c)(1)(B) of the Federal Rules of Criminal Procedure (“Fed. R. Crim. P.”). Hereinafter, the term “Plea Agreement” refers to this Plea Agreement and the accompanying Plea Supplement filed under seal on the same date.

RIGHTS OF DEFENDANT

1. The defendant understands his rights:
 - (a) to be represented by an attorney;
 - (b) to be charged by Indictment;
 - (c) to plead not guilty to any criminal charge brought against him;
 - (d) to have a trial by jury, at which he would be presumed not guilty of the charge and the United States would have to prove every essential element of the charged offense beyond a reasonable doubt for him to be found guilty;
 - (e) to confront and cross-examine witnesses against him and to subpoena witnesses in his defense at trial;
 - (f) not to be compelled to incriminate himself;
 - (g) to appeal his conviction, if he is found guilty; and

- (h) to appeal the imposition of sentence against him.

AGREEMENT TO PLEAD GUILTY
AND WAIVE CERTAIN RIGHTS

- 2. The defendant knowingly and voluntarily waives:
 - (a) the rights set out in subparagraphs 1(b)–(f) above;
 - (b) the right to file any appeal or collateral attack, including but not limited to an application or motion under 28 U.S.C. § 2241 or 2255 that challenges his conviction, including but not limited to any appeal or collateral attack raising an argument that (i) the statute to which he is pleading guilty is unconstitutional; or (ii) the admitted conduct does not fall within the scope of such statute; and
 - (c) the right to file any appeal or collateral attack, including but not limited to an appeal under 18 U.S.C. § 3742 or an application or motion under 28 U.S.C. § 2241 or 2255, that challenges the sentence imposed by the Court if that sentence is at or below the statutory maximum, regardless of how the sentence is determined by the Court. This agreement does not affect the rights or obligations of the United States as set forth in 18 U.S.C. § 3742(b).

Nothing in this paragraph, however, will act as a bar to the defendant perfecting any legal remedies he may otherwise have on appeal or collateral attack respecting claims of ineffective assistance of counsel or prosecutorial misconduct.

- 3. The defendant agrees that there is currently no known evidence of ineffective assistance of counsel or prosecutorial misconduct.

4. Consistent with Fed. R. Crim. P. 11(b)(1)(O), the defendant recognizes that if he is not a citizen of the United States pleading guilty may have consequences with respect to his immigration status, including removal from the United States, denial of citizenship, and denial of admission to the United States in the future.

5. Pursuant to Fed. R. Crim. P. 7(b), the defendant will waive indictment and plead guilty to a two-count Information to be filed in the United States District Court for the Northern District of Mississippi. The Information will charge the defendant with participating in:

- (a) a conspiracy to suppress and eliminate competition and restrain trade by rigging bids with COMPANY-1 and other co-conspirators for sports equipment and apparel (collectively, “sports equipment”) and related services for schools in the Northern District of Mississippi and elsewhere beginning at least in or around September 2012 and continuing through at least in or around December 2021 while employed at COMPANY-2, in violation of the Sherman Antitrust Act, 15 U.S.C. § 1 (“Count 1”); and
- (b) a conspiracy to suppress and eliminate competition and restrain trade by rigging bids with COMPANY-1 and other co-conspirators for sports equipment and related services for schools in the Northern District of Mississippi beginning at least in or around January 2023 and continuing through at least in or around September 2023 while employed at COMPANY-3, in violation of the Sherman Antitrust Act, 15 U.S.C. § 1 (“Count 2”).

6. The defendant will plead guilty to the criminal charges described in Paragraph 5 above pursuant to the terms of this Plea Agreement and will make a factual admission of guilt to

the Court in accordance with Fed. R. Crim. P. 11. The United States agrees that at the arraignment, it will stipulate to the release of the defendant on his personal recognizance, pursuant to 18 U.S.C. § 3142, pending the sentencing hearing in this case.

FACTUAL BASIS FOR OFFENSES CHARGED

7. Had this case gone to trial, the United States would have presented evidence sufficient to prove the following facts:

- (a) Beginning at least in or around November 1997 and continuing through at least in or around September 2012, the defendant was employed by COMPANY-1.
- (b) Beginning at least in or around September 2012 and continuing through at least in or around December 2021, the defendant was employed by COMPANY-2.
- (c) Beginning at least in or around January 2023 and continuing through at least in or around September 2023, the defendant was employed by COMPANY-3.
- (d) Through his employment at COMPANY-1, COMPANY-2, and COMPANY-3, the defendant was involved in the sale of sports equipment to schools in Mississippi. The defendant knew that public schools in Mississippi required bids from two separate companies for sports equipment over \$5,000.
- (e) Acts in furtherance of the conspiracies described below (Counts 1 and 2) were carried out within the Northern District of Mississippi, and some of the schools affected by the conspiracies are located in this district.

- (f) The conspiracies described below (Counts 1 and 2) affected at least \$855,910.28 of sales to COMPANY-2 and COMPANY-3 from at least 146 procurements, to at least 31 schools. The defendant received commission payments from his then-employers based on his sales.
- (g) The defendant knew his participation in the conspiracies described below (Counts 1 and 2) was wrong, and that the conspiracies deprived victim schools of the benefits of free and fair competition and caused them to pay higher prices for sports equipment and related services than they would have paid in a competitive market.

Count 1 (15 U.S.C. § 1)

- (h) For purposes of this Plea Agreement, the relevant period for Count 1 is that period from as least as early as September 2012 through at least as late as December 2021 (“Count 1 relevant period”).
- (i) During the Count 1 relevant period, the defendant knowingly entered into and engaged in a conspiracy with COMPANY-1, CO-CONSPIRATOR-1, CO-CONSPIRATOR-2, CO-CONSPIRATOR-3, CO-CONSPIRATOR-4, CO-CONSPIRATOR-5, CO-CONSPIRATOR-6, CO-CONSPIRATOR-7, and other co-conspirators to suppress and eliminate competition by rigging bids for sports equipment and related services for schools in the Northern District of Mississippi and elsewhere, in violation of the Sherman Antitrust Act, 15 U.S.C. § 1.
- (j) In furtherance of the conspiracy, the defendant and co-conspirators did, among other things, the following:

- i. agreed in advance of the bids which co-conspirator would win the bid;
 - ii. agreed to provide and submit complementary bids (that is, intentionally higher-priced bids) to schools;
 - iii. submitted complementary bids to schools on behalf of COMPANY-2; and
 - iv. received procurements on behalf of COMPANY-2 for school sports equipment and related services where complementary bids were submitted.
- (k) During the Count 1 relevant period, the business activities of the defendant and his co-conspirators that are the subject of the conspiracy charged in Count 1 were within the flow of, and substantially affected, interstate trade and commerce. For example, football jerseys that were sold as a part of the conspiracy were manufactured outside Mississippi and sold and transported into Mississippi.

Count 2 (15 U.S.C. § 1)

- (l) For purposes of this Plea Agreement, the relevant period for Count 2 is that period from as least as early as January 2023 through at least as late as September 2023 (“Count 2 relevant period”).
- (m) During the Count 2 relevant period, the defendant knowingly entered into and engaged in a conspiracy with COMPANY-1, Bradley David Willcutt, CO-CONSPIRATOR-1, CO-CONSPIRATOR-2, CO-CONSPIRATOR-8, CO-CONSPIRATOR-9, CO-CONSPIRATOR-10, CO-

CONSPIRATOR-11, CO-CONSPIRATOR-12, and other co-conspirators to suppress and eliminate competition by rigging bids for sports equipment and related services for schools in the Northern District of Mississippi, in violation of the Sherman Antitrust Act, 15 U.S.C. § 1.

- (n) In furtherance of the conspiracy, the defendant and co-conspirators did, among other things, the following:
- i. agreed in advance of the bids which co-conspirator would win the bid;
 - ii. agreed to provide and submit complementary bids (that is, intentionally higher-priced bids) to schools; and
 - iii. submitted complementary bids to schools on behalf of COMPANY-3; and
 - iv. received procurements on behalf of COMPANY-3 for school sports equipment and related services where complementary bids were submitted.
- (o) During the Count 2 relevant period, the business activities of the defendant and his co-conspirators that are the subject of the conspiracy charged in Count 2 were within the flow of, and substantially affected, interstate trade and commerce. For example, football girdles that were sold as a part of the conspiracy were manufactured outside Mississippi and sold and transported into Mississippi.

8. Had this case gone to trial, the United States would have also presented evidence to show that the defendant had also knowingly, and with specific intent to defraud, engaged in a conspiracy to commit wire fraud through a scheme to obtain money from sports procurements awarded to COMPANY-2 by submitting false bids purporting to be bids from COMPANY-4 to schools in the North District of Mississippi and elsewhere.

ELEMENTS OF THE OFFENSE

9. The elements of the charged violations of 15 U.S.C. § 1 are that:
- (a) the conspiracy described in the Information existed at or about the time alleged;
 - (b) the defendant knowingly engaged in the conspiracy; and
 - (c) the conspiracy described in the Information either substantially affected interstate commerce in goods or services or occurred within the flow of interstate commerce in goods and services.

POSSIBLE MAXIMUM SENTENCE

10. The defendant understands that the statutory maximum penalty that may be imposed against him upon conviction for each violation of 15 U.S.C. § 1 is:
- (a) a term of imprisonment for ten (10) years (15 U.S.C. § 1);
 - (b) a fine in an amount equal to the greatest of (i) \$1 million; (ii) twice the gross pecuniary gain the conspirators derived from the crime; or (iii) twice the gross pecuniary loss caused to the victims of the crime by the conspirators (15 U.S.C. § 1; 18 U.S.C. § 3571(b) and (d));
 - (c) a term of supervised release of three (3) years following any term of imprisonment. If the defendant violates any condition of supervised

release, the defendant could be required to serve up to two (2) years in prison (18 U.S.C. §§ 3559(a)(3), 3583(b)(2) and (e)(3) and United States Sentencing Guidelines (“U.S.S.G.,” “Sentencing Guidelines,” or “Guidelines”) § 5D1.2(a)(2)); and

(d) pursuant to U.S.S.G. § 5E1.1 or 18 U.S.C. § 3663(a)(3) or 3583(d), the Court may order him to pay restitution to the victims of the offense.

11. In addition, the defendant understands that pursuant to 18 U.S.C. § 3013(a)(2)(A), the Court is required to order the defendant to pay a \$100.00 special assessment upon conviction for each of the charged crimes.

SENTENCING GUIDELINES

12. The defendant understands that the Sentencing Guidelines are advisory, not mandatory, but that the Court must consider, in determining and imposing sentence, the Guidelines Manual in effect on the date of sentencing unless that Manual provides for greater punishment than the Manual in effect on the last date that the offense of conviction was committed, in which case the Court must consider the Guidelines Manual in effect on the last date that the offense of conviction was committed. The parties agree there is no *ex post facto* issue under the 2024 Guidelines Manual and its Amendments. The Court must also consider the other factors set forth in 18 U.S.C. § 3553(a) in determining and imposing sentence. The defendant understands that the Court will make Guidelines determinations by applying a standard of preponderance of the evidence. The defendant understands that although the Court is not ultimately bound to impose a sentence within the applicable Guidelines range, its sentence must be reasonable based upon consideration of all relevant sentencing factors set forth in 18 U.S.C. § 3553(a).

GOVERNMENT'S AGREEMENT

13. Upon the defendant's signing of this Plea Agreement, the United States intends to end its investigation of the allegations in the Information as to the defendant, except insofar as required to prepare for further hearings in this case, including but not limited to sentencing, and to prosecute other companies and individuals involved in the defendant's conduct.

14. Subject to the terms of this Plea Agreement, and upon the Court's acceptance of the guilty plea called for by this Plea Agreement and the imposition of sentence, the United States agrees that it will not bring further criminal charges against the defendant for any act or offense committed before the date of signature of this Plea Agreement that was undertaken in furtherance of an antitrust conspiracy or wire fraud conspiracy relating to sports equipment and related services for schools in the Northern District of Mississippi and elsewhere ("Relevant Offenses"). The non-prosecution terms of this paragraph do not apply to (1) any acts of perjury or subornation of perjury (18 U.S.C. §§ 1621–22), making a false statement or declaration (18 U.S.C. §§ 1001, 1623), obstruction of justice (18 U.S.C. §§ 1503 *et seq.*), contempt (18 U.S.C. §§ 401–402), or conspiracy to commit such offenses; (2) civil matters of any kind; (3) any violation of the federal tax or securities laws or conspiracy to commit such offenses; or (4) any crime of violence.

REPRESENTATION BY COUNSEL

15. The defendant has reviewed all legal and factual aspects of this case with his attorney and is fully satisfied with his attorney's legal representation. The defendant has thoroughly reviewed this Plea Agreement with his attorney and has received satisfactory explanations from his attorney concerning each paragraph of this Plea Agreement and alternatives available to the defendant other than entering into this Plea Agreement. After

conferring with his attorney and considering all available alternatives, the defendant has made a knowing and voluntary decision to enter into this Plea Agreement.

VOLUNTARY PLEA

16. The defendant's decision to enter into this Plea Agreement and to tender a plea of guilty is freely and voluntarily made and is not the result of force, threats, assurances, promises, or representations other than the representations contained in this Plea Agreement. The United States has made no promises or representations to the defendant as to whether the Court will accept or reject the recommendations contained within this Plea Agreement.

VIOLATION OF PLEA AGREEMENT

17. The defendant agrees that, should the United States determine in good faith, during the period that any Federal Proceeding is pending, that the defendant has failed to comply with the terms of the Plea Agreement, has otherwise violated any provision of this Plea Agreement, or has committed any other crimes, the United States will notify counsel for the defendant in writing by personal or overnight delivery, email, or facsimile transmission and may also notify counsel by telephone of its intention to void any of its obligations under this Plea Agreement (except its obligations under this paragraph), and the defendant will be subject to prosecution for any federal crime of which the United States has knowledge including, but not limited to, the substantive offenses relating to the investigation resulting in this Plea Agreement, including such prosecutions that might have been dismissed or otherwise barred by the Double Jeopardy Clause. The defendant agrees that, in the event that the United States is released from its obligations under this Plea Agreement and brings criminal charges against the defendant for any Relevant Offenses, the statute of limitations period for any such Offense will be tolled for

the period between the date of signature of this Plea Agreement and six (6) months after the date the United States gave notice of its intent to void its obligations under this Plea Agreement.

18. The defendant agrees that if he fails to comply with any of the provisions of this Plea Agreement, including the failure to tender such Agreement to the Court, makes false or misleading statements before the Court or to any agents of the United States, commits any further crimes, or attempts to withdraw the plea (prior to or after pleading guilty to the charges identified in paragraph 5 above), the United States will have the right to characterize such conduct as a breach of this Plea Agreement. In the event of such a breach, (1) the United States will be free from its obligations under this Plea Agreement and to further take whatever position it believes appropriate as to the sentence and the conditions of the defendant's release (for example, should the defendant commit any conduct after the date of this Agreement that would form the basis in an increase in the defendant's offense level or justify an upward departure—examples of which include obstruction of justice, failure to appear for a court proceeding, criminal conduct while pending sentencing, and false statements to law enforcement agents, the Probation Office, or the Court—the United States would be free under this Agreement to seek an increase in the offense level based on that post-Agreement conduct); (2) the defendant will not have the right to withdraw the guilty plea; (3) the defendant shall be fully subject to criminal prosecution for any other crimes which he has committed or might commit, if any, including perjury and obstruction of justice; and (4) the defendant waives any protections afforded by U.S.S.G. § 1B1.8(a), Rule 11 of the Federal Rules of Criminal Procedure, and Rule 410 of the Federal Rules of Evidence, and the United States will be free to use against the defendant, directly and indirectly, in any criminal or civil proceeding any of the information, statements,

and materials provided by him pursuant to this Agreement, including offering into evidence or otherwise using the factual basis contained within this Agreement.

ENTIRETY OF AGREEMENT

19. This Plea Agreement constitutes the entire agreement between the United States and the defendant concerning the disposition of the criminal charge in this case. This Plea Agreement cannot be modified except in writing, signed by the United States and the defendant.

20. The undersigned attorneys for the United States have been authorized by the Attorney General of the United States to enter this Plea Agreement on behalf of the United States.

21. A facsimile or PDF signature will be deemed an original signature for the purpose of executing this Plea Agreement. Multiple signature pages are authorized for the purpose of executing this Plea Agreement.

The defendant and the defendant's attorney of record declare that the terms of this Plea Agreement have been:

- 1. READ BY OR TO THE DEFENDANT;**
- 2. EXPLAINED TO THE DEFENDANT BY THE DEFENDANT'S ATTORNEY;**
- 3. UNDERSTOOD BY THE DEFENDANT;**
- 4. VOLUNTARILY ACCEPTED BY THE DEFENDANT; and**
- 5. AGREED TO AND ACCEPTED BY THE DEFENDANT.**

DATED: 1/2/25

BY: Robert Douglas Heflin
Robert Douglas Heflin
Defendant

BY: Robert Sneed Laher
Robert Sneed Laher
Counsel for Robert Douglas Heflin

Respectfully submitted,

BY: Hannah E. Muller
Hannah E. Muller
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