



# Department of Justice

FOR IMMEDIATE RELEASE  
THURSDAY, DECEMBER 2, 2010  
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## **FORMER NEW JERSEY SALES REPRESENTATIVE PLEADS GUILTY TO FRAUD AND BRIBERY CONSPIRACY IN POWER GENERATION INDUSTRY**

WASHINGTON — A former sales representative of a Lyndhurst, N.J.-based industrial pipe supply company pleaded guilty today to participating in a conspiracy to commit fraud and pay bribes to a Consolidated Edison of New York (Con Edison) purchasing manager in return for the manager's efforts to steer contracts to the sales representative's company, the Department of Justice announced today.

Robert D. Rosenberg of Florham Park, N.J., pleaded guilty in U.S. District Court in Manhattan to participating in a conspiracy to defraud Con Edison. According to a one-count felony charge, Rosenberg and others paid approximately \$297,000 in bribes to the former department manager in the purchasing department at Con Edison. In exchange, the former department manager steered industrial pipe supply contracts to the company Rosenberg represented. The department said the conspiracy took place from approximately November 2003 through approximately August 2008. According to the plea agreement, Rosenberg has agreed to cooperate with the department's ongoing investigation into anticompetitive conduct in the power generation industry.

Con Edison is a regulated utility headquartered in Manhattan. It 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, N.Y. Con Edison received more than \$10,000 in federal funding each year between 2003 through 2008.

Rosenberg is charged with conspiracy which carries a maximum penalty of five years in prison and a \$250,000 fine. The maximum fine may be increased to twice the gain derived from the crime or twice the loss suffered by the victim of the crime, if either of those amounts is greater than the statutory maximum fine.

Today's plea is the second to arise from an ongoing federal investigation of bid rigging, bribery, fraud and tax-related offenses in the power generation industry. On Nov. 19, 2010, James M. Woodason, a former Con Edison manager, pleaded guilty in U.S. District Court in Manhattan to charges that he accepted and agreed to accept bribes from two Con Edison industrial pipe supply vendors. The investigation is being conducted by the Antitrust Division's

New York Field Office, with the assistance of the FBI's New York Division and the Internal Revenue Service Criminal Investigation. Con Edison cooperated with the department's investigation.

Anyone with information concerning bid rigging, bribery, tax offenses or fraud in the power generation industry should contact the Antitrust Division's New York Field Office at 212-264-9308, visit [www.justice.gov/atr/contact/newcase.htm](http://www.justice.gov/atr/contact/newcase.htm) or contact the FBI's New York Division at 212-384-3252.

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