



***United States Attorney  
District of New Jersey***

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**FOUR FORMER COMSTOCK IMAGES EMPLOYEES SENTENCED FOR  
EMBEZZLING HUNDREDS OF THOUSANDS FROM THEIR EMPLOYER**

*Defendants Include Two CFOs and Head of Information Technology Department*

NEWARK, N.J. – Four former employees of Comstock Images, Inc. – including heads of the company’s financial and information technology departments – were sentenced today for their roles in a conspiracy to embezzle approximately \$900,000 from their employer, United States Attorney Paul J. Fishman announced.

Robert Gonzalez and Geraldine Manuel were sentenced to 40 months and 20 months in prison, respectively, for their roles in a scheme to steal from the company through phony and falsely inflated invoices. Two co-conspirators, Philip McKenna and Andrew Edwards, were also sentenced: McKenna to three months of house arrest and Edwards to two years of probation. All four defendants previously pleaded guilty before United States District Judge Dennis M. Cavanaugh, who also imposed the sentences today in Newark federal court.

According to documents filed in this case and statements made in court:

Gonzalez, 37, of Lake Mary, Fla., served as the head of information technology (IT) for Comstock. At his June 2009 guilty plea, Gonzalez admitted that he recruited Manuel and others in Comstock’s finance and IT departments to participate in an embezzlement scheme. Among other things, he admitted that he and Manuel used his Comstock American Express card to make personal purchases worth up to thousands of dollars at a time. He then attempted to hide the purchases by creating phony expense reports for computer and IT-related equipment approximating the amounts of the personal purchases. Manuel would then issue Comstock checks to pay the Comstock American Express account. Gonzalez also created fraudulent expense reports for which he was reimbursed, including for a cruise and a Walt Disney World vacation with family and friends. In all, Gonzalez stole approximately \$900,000 through his embezzlement scheme. Gonzalez pleaded guilty to conspiracy to commit mail and wire fraud, as well as two counts of tax evasion for failing to report taxable income from the expense report scheme.

Manuel, 58, of Elmwood Park, N.J., pleaded guilty in December 2009 to conspiracy to commit mail and wire fraud. During her guilty plea, Manuel admitted that as head of the finance department for Comstock Images, she issued Comstock checks to herself and her co-conspirators for the purported reimbursement of expense vouchers she knew to be fraudulent. She also admitted that while she was serving as CFO of the company, she received approximately \$116,815 in Comstock funds – in the form of cash, home furnishings, electronics equipment, and

trips to Florida, Hawaii and the Bahamas – as her share of the proceeds from the fraud conspiracy.

McKenna, 36, of Rahway, N.J., served as Comstock’s CFO prior to Manuel’s tenure. He pleaded guilty in February 2009 to conspiracy to commit mail and wire fraud for, among other things, knowingly paying Gonzalez’ fraudulent expense reports. In return, he received over \$84,000 in cash and gifts from Gonzalez.

Edwards, 32, of Parlin, N.J., pleaded guilty in February 2009 to conspiracy to commit mail fraud for his role in the scheme. Edwards worked in the IT department under Gonzalez and was authorized to purchase computers and related goods and services. In that capacity, Edwards assisted in creating fraudulent expense reports and vendor invoices in furtherance of the scheme. Edwards received approximately \$62,388 as his share of the fraudulent proceeds.

In addition to the prison terms, Judge Cavanaugh sentenced Gonzalez, Manuel, and McKenna each to serve three years of supervised release. The defendants were also ordered to pay restitution: Gonzalez in the amount of \$982,361; Manuel in the amount of \$600,000; and McKenna and Edwards up to \$400,000.

U.S. Attorney Fishman credited Postal Inspectors with the U.S. Postal Inspection Service, under the direction of Postal Inspector in Charge David Collins; and special agents of IRS – Criminal Investigation, under the direction of Special Agent in Charge William P. Offord, with the investigation leading to today’s sentences.

The government is represented by Assistant U.S. Attorney Lorraine Gerson of the U.S. Attorney’s Office Economic Crimes Unit.

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Defense counsel:

Robert Gonzalez: Rick L. Jancha, Esq., Orlando, Fla.

Geraldine Manuel: William D. Ware, Esq., Morristown, N.J.

Philip McKenna: Linda Foster, Esq., Newark, N.J.

Andrew Edwards: Carl Spector, Esq., Fairlawn, N.J.