

Department of Justice

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NIAGARA FALLS MAN SENTENCED FRAUD TO PRISON FOR FRAUD; OBSTRUCTING THE IRS

BUFFALO, N.Y.--U.S. Attorney William J. Hochul, Jr. announced today that Randall McGovern, 41, of Niagara Falls, New York, was sentenced by Chief U.S. District Judge William M. Skretny to 87 months in prison term for gift card fraud and 36 months in prison for obstructing the Internal Revenue Service. The sentences are to run concurrently.

Assistant U.S. Attorney Paul J. Campana, who handled the case, stated that McGovern defrauded Home Depot and Lowe's out of \$90,000 while serving a State prison term late in 2005 and early in 2006. While at the Livingston Correctional Facility, the defendant used the prison's phone system to make three-way calls to the toll free gift card numbers of Home Depot and Lowe's and made unauthorized gift card orders in the names of several businesses. The cards were delivered to designated addresses, which included abandoned houses. In addition, McGovern sold construction equipment he knew was encumbered by IRS tax liens, and failed to notify the IRS that he had done so, obstructing efforts of the IRS in 2008 and 2009 to collect approximately \$193,000 in taxes.

Citing McGovern's long history of felony convictions, Judge Skretny told McGovern he was a "career fraudster" whose life was marked by "pathological lying," and that he "could not be trusted." Judge Skretny ordered McGovern to make restitution of \$193,635 to the U.S. Treasury and approximately \$90,000 to Home Depot and Lowe's.

The sentencing is the result of an investigation by Special Agents of the United States Secret Service, under the direction of Special Agent in Charge Tracy Gast, and the Internal Revenue Service, Criminal Investigation Division, under the direction of Special Agent In-Charge Charles R. Pine.