

UNITED STATES DISTRICT COURT
DISTRICT OF NEW JERSEY

UNITED STATES OF AMERICA : Criminal No. 18-
 :
 v. : 18 U.S.C. § 1349
 :
 ANTHONY L. BUCOLO :

INFORMATION

The defendant having waived in open court prosecution by indictment, the United States Attorney for the District of New Jersey charges:

CONSPIRACY TO COMMIT MAIL FRAUD
(18 U.S.C. § 1349)

The Defendant, His Conspirator and His Company

At all times relevant to this Information:

1. Defendant ANTHONY L. BUCOLO owned and operated a business, in Gloucester County, New Jersey (hereinafter “the Company”).
2. An employee of the Company (hereinafter “Employee 1”), a co-conspirator who is not named as a defendant herein, was employed as the manager of, and together with defendant ANTHONY L. BUCOLO ran the Company.
3. The Company was a mail service provider (“MSP”), that is, a business that prepared bulk mail, typically for shipping mass mailings on behalf of other businesses, educational institutions and charitable organizations (collectively, “the Company’s customers”). As set forth more fully herein, the United States Postal Service (“USPS”) offered discounted postage rates when bulk mail was sorted by geographical region and/or type of mail (*e.g.*, first class, second class, etc.) before being deposited to the USPS. In general, the less sorting work required to be done by the USPS, the greater the discount.

4. The Company maintained a bank account at PNC Bank, Account Number XXXXXX9247 (“the PNC Bank Account”). The Company utilized this account to deposit its customers’ checks that were written to the Company for payment of preparation and mailing bulk mail. The Company also authorized the USPS to withdraw funds from this account to pay the costs of postage for some of its mailings on behalf of its customers.

Bulk Mailing Generally

5. The USPS offered several methods postal customers could utilize to affix postage to their mail. Under USPS standards, the mailer was responsible for payment of postage, no matter what postage and/or payment methods they chose for mailing.
6. Like many MSPs, the Company frequently used permit imprint postage, which allowed the Company to print postage information on the upper right corner of each mail piece rather than placing stamps or meter strips. Because there was no postage on the permit imprint, the Company paid the postage for each mailing in advance through a trust account with the USPS. Such postage was supposed to be paid at the time the Company presented the mail to an employee of the USPS for acceptance and verification.
7. As required by the USPS, the Company recorded the pertinent information on each particular mailing on a USPS Form 3602, Postage Mailing Statement (“USPS Form 3602”), including the type of postage used, the weight of a single mail piece, the number of pieces, the types of discounts and the postage due. The USPS Form 3602 was then electronically uploaded to a USPS database referred to as PostalOne.
8. In addition to submitting the USPS Form 3602, the Company also submitted other USPS forms, including for example, Postal Service Form 8017, Expedited Plant Load Shipment Clearance (“USPS Form 8017”) and Postal Service Form 8125, Plant-Verified Drop Shipment Verification and Clearance (“USPS Form 8125”). These two USPS forms were used when the Company transported its mailings to a USPS facility closer to the final

delivery location rather than the local post office. This was called a Plant-Verified Drop Shipment (“PVDS”), and was typically done to obtain further discounted postage rates.

9. Generally, the Company presented its mail along with the necessary USPS forms to a postal clerk who worked onsite at the Company in what was called a detached mail unit (“DMU”). The postal clerk assigned to the Company’s DMU examined the mail and the supporting documentation, including the USPS Form 3602 and, if applicable, the USPS Form 8017 or USPS Form 8125, to determine if the information on the postal forms accurately reflected the makeup of the mailing. The postal clerk subsequently ensured correct postage had been paid by or effected payment by making the appropriate entries in the USPS’s electronic database, PostalOne, which caused the Company to be electronically billed for the postage.
10. Once the postal clerk verified the accuracy of the mailing, the clerk signed or stamped his or her signature on the USPS Form 8017 or USPS Form 8125 and stamped the date with a round-date-ink-stamp in the correct block to prove that the mailing had been verified and the postage paid. The round-date-ink-stamper essentially created a postmark by imprinting the date and origin city of mailing. The stamper itself was property of the USPS and could not be used by persons not employed by the USPS.
11. The postal clerk then returned the mail along with the original and a copy of the USPS Form 8017 or USPS Form 8125 to the Company. The postal clerk, however, retained a copy of the form at the DMU (which was located inside the Company’s business office).
12. The Company was not required to transport the mail on the same day that it was cleared by the postal clerk. Rather, once the mail had been verified, the Company could transport it to the USPS processing or distribution center at its convenience. When it ultimately presented the mail to a postal facility for mailing, the Company also presented the original USPS Form 8017 or USPS Form 8125 with the original round-date-ink-stamp, which verified to the USPS that the postage had already been paid.

13. In order to get the mail into the mail stream, the Company transported the mail, generally by truck, from their business location in Gloucester County, New Jersey to a USPS facility, for example, the USPS South Jersey Processing and Distribution Center (“SJP&DC”) located in Bellmawr, New Jersey or a USPS Network Distribution Center (“NDC”), including in Trenton, New Jersey and Philadelphia, Pennsylvania. An NDC is a highly mechanized mail processing plant of the USPS that accepts, processes and distributes standard mail and package services in piece and bulk form.
14. Once at the postal facility, the USPS dock clerk spot checked the relevant forms against the number of pallets and trays of mail received, but did not reweigh the mail. The mail then entered into the mail stream for delivery.

THE CONSPIRACY

15. From at least as early as 2010 through on or about September 20, 2017, in Gloucester County, in the District of New Jersey, and elsewhere, defendant

ANTHONY L. BUCOLO

did knowingly and intentionally conspire and agree with Employee 1 to devise a scheme and artifice to defraud, and to obtain money and property by means of materially false and fraudulent pretenses, representations and promises, which scheme and artifice is in substance set forth below, and for the purpose of executing such scheme and artifice, placed and caused to be placed in any post office and authorized depository for mail matter, any matter and thing whatever to be sent and delivered by the Postal Service, contrary to Title 18, United States Code, Section 1341.

OBJECT OF THE CONSPIRACY

16. The object of the conspiracy was to profit by defrauding the USPS of more than \$1.5 million in postage by various means, including underreporting the volume of mail pieces actually mailed, altering USPS forms, and adding mail onto pallets, trays, tubs or sacks after the mail had been accepted and postage assessed and collected by a postal employee, while billing clients as if such postage had been paid.

MANNER AND MEANS OF THE CONSPIRACY

17. It was part of the conspiracy that defendant ANTHONY L. BUCOLO and Employee 1 agreed to defraud and did, in fact, defraud the U.S. Postal Service of monies for postage by various means, including:
 - a. Secreting the mail of the Company's customers, which did not bear proper postage, inside pallets of other properly prepared and paid mail by burying unpaid mail beneath a few layers of paid mail. By hiding unpaid mail in pallets of paid mail, the Company intentionally created the misimpression that the postage for the entire pallet of mail had been paid when, in fact, it had not.
 - b. Adding pallets of the Company's customers' mail which did not bear proper postage with pallets of mail for which postage had been paid along with altered USPS forms in order to convey the appearance that postage for the entirety of the mail had been paid. The Company altered USPS forms in various ways, including by adding digits after the forms had already been cleared by a USPS employee and by improperly using a round-date-ink-stamper without authority, so that USPS employees who physically accepted and processed the mail would be duped into believing proper postage had been paid.
18. It was further part of the conspiracy that defendant ANTHONY L. BUCOLO and Employee 1 created and caused to be created fraudulent postage statements and invoices

billing the Company's customers for postage that had not been paid by the Company to the USPS. To create an authentic-looking postage statement, Employee 1 used a round-date-ink-stamper, which was the property of the USPS, to create a postmark showing the imprint of the date and origin city of mailing.

19. It was further part of the conspiracy that defendant ANTHONY L. BUCOLO and Employee 1 mailed and caused to be mailed, and also emailed and caused to be emailed, such fraudulent postage statements and invoices to the Company's customers.
20. It was further part of the conspiracy that the Company's customers paid such invoices – including the monies fraudulently charged for postage billed but not paid by the Company – primarily by mailing checks to the Company.
21. It was further part of the conspiracy that defendant ANTHONY L. BUCOLO and Employee 1 deposited and caused to be deposited the proceeds from this fraudulent scheme into the PNC Bank Account. Such proceeds consisted of payments by the Company's customers for postage billed but not paid to the USPS by the Company.
22. It was further part of the conspiracy that defendant ANTHONY L. BUCOLO and his co-conspirator, Employee 1, profited from the scheme to defraud:
 - a. As the sole owner of the Company, defendant ANTHONY L. BUCOLO profited directly from the proceeds of the offense; and
 - b. Defendant ANTHONY L. BUCOLO paid Employee 1 in both cash and checks written to cash as compensation for Employee 1's participation in the scheme.

FURTHERING THE CONSPIRACY

23. In furtherance of the conspiracy and to effect its object, its members committed the following acts, among others:
- a. On or about April 25, 2016, defendant ANTHONY L. BUCOLO mailed and caused to be mailed a job for a customer of the Company (hereinafter "Customer 1") involving approximately 20,566 mail pieces.
 - b. On or about April 25, 2016, defendant ANTHONY L. BUCOLO also prepared and caused to be prepared a fraudulent postage statement, USPS Form 3602, using the round-date-ink-stamper. That USPS Form 3602 falsely stated that the Company had paid \$5,815.10 in postage on behalf of Customer 1's mailing. In actuality, the Company did not pay the USPS for such postage, resulting in a loss of \$5,815.10 to the USPS.
 - c. On or about April 26, 2016, defendant ANTHONY L. BUCOLO mailed and caused to be mailed to Customer 1 an invoice billing Customer 1 for \$5,815.10 in postage.
 - d. On or about October 20, 2016, defendant ANTHONY L. BUCOLO mailed and caused to be mailed a job for Customer 1 involving approximately 12,029 mail pieces.
 - e. On or about October 20, 2016, defendant ANTHONY L. BUCOLO also prepared and caused to be prepared a fraudulent postage statement, USPS Form 3602, using the round-date-ink-stamper. That USPS Form 3602 falsely stated that the Company had paid \$3,433.34 in postage on behalf of Customer 1's mailing. In actuality, the Company did not pay the USPS for such postage, resulting in a loss of \$3,433.34 to the USPS.
 - f. On or about October 21, 2016, defendant ANTHONY L. BUCOLO mailed and caused

to be mailed to Customer 1 an invoice which billed Customer 1 for the \$3,433.34 in postage and which further showed that the Company had deducted that postage from funds previously received from Customer 1.

- g. On or about the below indicated dates, at the direction of defendant ANTHONY L. BUCOLO and with his knowledge, Employee 1 altered the USPS Form 8017, Expedited Plant-Load Shipment Clearance, to falsely reflect that a larger amount of mail had been paid and verified than had actually been paid and verified. Specifically, Employee 1 did this by adding a digit to the number which indicated the weight in pounds of the paid mail, thereby artificially increasing the weight of the paid mail by a factor of 10. This resulted in the Company failing to pay the postage due on a significant portion of each such shipment of mail.

DATE	ORIGINAL WEIGHT UPON WHICH THE COMPANY PAID POSTAGE	FINAL WEIGHT LISTED ON FORM AS PAID	LOCATION
4-26-16	730 pounds	7,301 pounds	SJP&DC
7-15-16	1,716 pounds	11,716 pounds	SJP&DC
7-20-16	904 pounds	9,042 pounds	SJP&DC

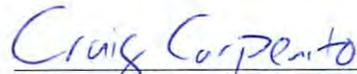
- h. On or about July 21, 2016, a USPS employee called Employee 1 and informed Employee 1 about the discrepancy in the weight on the USPS Form 8017 pertaining to the July 20, 2016 shipment referenced in paragraph 23(g) above. In response, Employee 1 went to the SJP&DC's bulk mailing unit and told USPS employees that there must have been a mistake. Employee 1 made this statement knowing it to be false. Employee 1 then took possession of 12 pallets of mail which had not yet been processed. Two pallets of mail had already been processed and entered the mail stream. Thereafter, the amount of mail that the Company sent to the SJP&DC

significantly decreased.

- i. On the below indicated dates, and to avoid paying postage, defendant ANTHONY L. BUCOLO deposited and caused to be deposited at the Philadelphia Network Distribution Center (“PNDC”) in Philadelphia, Pennsylvania, the mail of the Company’s customers on which no postage had been paid by mixing such mail in the middle of pallets of trays containing paid mail:

DATE	CUSTOMER	PIECES OF MAIL	LOCATION
2-16-17	Customer 2	18,117	PNDC
3-16-17	Customer 2	6,075	PNDC
3-16-17	Customer 1	9,694	PNDC

In violation of Title 18, United States Code, Section 1349.


CRAIG CARPENITO
United States Attorney

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UNITED STATES OF AMERICA

v.

ANTHONY BUCOLO

INFORMATION

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