

UNITED STATES DISTRICT COURT
DISTRICT OF NEW JERSEY

UNITED STATES OF AMERICA : Criminal No. 19-
v. :
MITCHELL BLEICHER : 18 U.S.C. §§ 1343, 1957 and 2
: 26 U.S.C. § 7201
: 18 U.S.C. § 981

INFORMATION

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

Count 1
[18 U.S.C. §1343 - Wire Fraud]

The Defendant and Other Entities or Organizations

1. At all times relevant to Count 1 of this Information:
 - a. Defendant MITCHELL BLEICHER was a resident of Voorhees, New Jersey. Defendant BLEICHER owned and operated Allied Materials, Inc. ("Allied") located in Berlin, New Jersey. Allied was a locally owned family janitorial supply company. Allied sold janitorial and cleaning supplies, office and break room supplies, food service items, safety equipment, and business printing and imprinted items. Allied maintained its products in a 12,000 square foot facility and was able to perform next-day local delivery of in-stock items.

b. "Company A" was a business with locations around the United States, including multiple locations in New Jersey. Company A's headquarters was located in southern New Jersey.

The Charge

2. From at least as early as 2009 through in or around April 2018, in Camden County, in the District of New Jersey and elsewhere, defendant

MITCHELL BLEICHER

did knowingly and intentionally devise and intend to devise a scheme and artifice to defraud Company A and to obtain money and property from Company A by means of materially false and fraudulent pretenses, representations, and promises, which scheme and artifice to defraud was in substance as set forth below, and for the purpose of executing such scheme and artifice, transmitted and caused to be transmitted by means of wire communications in interstate and foreign commerce, certain signs, signals, and sounds, including the wire transfers set forth in paragraphs 10 and 12 herein.

The Object of the Scheme to Defraud

3. It was the object of the scheme to defraud for defendant MITCHELL BLEICHER and others to obtain money and property by submitting materially false and fraudulent invoices on behalf of Allied to Company A, to cause Company A to send payments, via automated clearing house ("ACH") transfers, to Allied's bank account. During the course of the scheme to defraud by submitting false invoices to Company A, defendant BLEICHER submitted,

caused to be submitted, and caused to be paid over in excess of \$3,500,000 by Company A based on fraudulent invoices.

Manner and Means of the Scheme to Defraud

4. It was part of the scheme to defraud that beginning in or about 2009, defendant MITCHELL BLEICHER negotiated a contract with Company A to provide janitorial supplies to Company A's locations in southern New Jersey.

5. It was further part of the scheme to defraud that, after the contract with Company A was signed, defendant MITCHELL BLEICHER knowingly created false and fraudulent invoices that inflated the value or amount of the products that Allied supplied to Company A.

6. It was further part of the scheme to defraud that defendant MITCHELL BLEICHER, submitted multiple, weekly false and fraudulent invoices to Company A that inflated the value or amount of the products that Allied supplied to Company A.

7. It was further part of the scheme to defraud that Individual #1, a contract facilities manager, and Individual #1's replacement, Individual #2, while working for Company A, received the false and fraudulent invoices, approved the false and fraudulent invoices and submitted those invoices to Company A's accounts payables department for payment.

8. It was further part of the scheme to defraud that Company A believed that those false and fraudulent invoices were legitimate purchases made and received by Company A. Upon receipt of the invoices approved by

Individual #1 or Individual #2, Company A's payables system communicated with PNC Bank. Thereafter, PNC Bank transmitted ACH payments to Allied's business bank accounts at Citizens Bank or TD Bank.

9. On or about January 9, 2017, defendant MITCHELL BLIECHER, on behalf of Allied, submitted Invoice 180823 to Company A which falsely listed that Allied had supplied Company A with: (1) 90-17 watt florescent tubes, (2) 25-electronic ballast and (3) 52-12v volts 75 watts replacement lamps. That invoice billed Company A in the amount of \$4,980.32.

10. On or about January 20, 2017, Company A paid Invoice 180823 via ACH transfer, which travelled in interstate commerce, from Company A's bank account to Allied's bank account, in the District of New Jersey.

11. On or about January 16, 2017, defendant MITCHELL BLIECHER, on behalf of Allied, submitted Invoice 1808094 to Company A that falsely listed that Allied had supplied Company A with: (1) 90-17 watt florescent tubes, (2) 25-electronic ballast and (3) 50-12v volts 75 watts replacement lamps. That invoice billed Company A in the amount of \$4,958.88.

12. On or about January 29, 2017, Company A paid Invoice 1808094 via ACH transfer, which travelled in interstate commerce, from Company A's bank account to Allied's bank account, in the District of New Jersey.

13. It was further part of the scheme to defraud that from 2011 through 2017, defendant MITCHELL BLEICHER caused Company A to initiate 397 ACH transactions totaling approximately \$10,102,631.

14. It was further part of the scheme to defraud that defendant MITCHELL BLEICHER used Allied's business bank accounts to support his lavish lifestyle and pay personal expenses. For example, between 2012 and 2017, defendant BLEICHER used Allied's bank accounts and American Express accounts to pay approximately \$1,917,381 for various personal items such as his children's college tuition; pay for furniture for his residence; buy automobiles including a Rolls Royce for himself, two Subaru automobiles for his children, and motorcycles; to purchase multiple Rolex watches, jewelry, designer clothing, and firearms; and to re-model his bedroom and bathroom.

In violation of Title 18, United States Code, Section 1343, and Title 18, United States Code, Section 2.

COUNT 2
**[18 U.S.C. § 1957 – Engaging in Monetary Transactions with
Criminally Derived Funds]**

1. Paragraphs 1 and 3 through 14 of Count 1 of the Information are incorporated as if set forth in full herein.

2. On or about July 16, 2015, in the District of New Jersey, and elsewhere, defendant

MITCHELL BLEICHER

did knowingly engage and attempt to engage in the following monetary transactions, namely deposits, withdrawals, transfers, and exchanges of United States currency and monetary instruments through financial institutions affecting interstate commerce, in criminally derived property of a value greater than \$10,000 which was derived from specified unlawful activity, namely, wire fraud, contrary to Title 18, United States Code, Section 1343, as set forth in Count One, that was an Allied Materials, Inc. check to Palma Classic Cars, LLC in the amount of \$59,945 to purchase a 2001 Rolls-Royce Silver Serah sedan.

In violation of Title 18, United States Code, Section 1957(a), and Title 18, United States Code, Section 2.

Count 3
[26 U.S.C. § 7201 – Income Tax Evasion]

1. Paragraphs 1 and 3 through 14 of Count 1 of the Information are incorporated as if set forth in full herein.

2. The Internal Revenue Service (“IRS”) was a constituent agency of the United States Department of Treasury and part of the Executive Branch of the Government responsible for administering and enforcing the tax laws of the United States and collecting taxes owed to the Treasury of the United States, and providing refunds of taxes overpaid.

3. Generally, individuals were required by law to prepare and file income tax returns with the IRS by April 15 of the year following the year when the income was earned unless an extension was granted. If those income tax returns show that income taxes were due and owing, then the tax payer was obligated by law to pay that sum of money to the IRS.

4. At all times relevant to Count 3 of this Information:

a. Defendant MITCHELL BLEICHER was an owner and operator of Allied Materials and responsible for handling the contract between Allied Materials and Company A;

b. Defendant MITCHELL BLEICHER deposited ACH transfers into Allied’s business bank account;

c. Defendant MITCHELL BLEICHER embezzled money from Company A.

d. Defendant MITCHELL BLEICHER used portions of these monies, approximately \$1,917,381 for personal expenses, including among other things purchasing vehicles, jewelry, home renovations, firearms and paying children's college tuition; and

e. Defendant MITCHELL BLEICHER failed to report as income on his personal tax returns the monies he received from Company A, thereby causing such returns to understate a substantial amount of income.

5. For tax years 2011 through 2017, defendant MITCHELL BLEICHER generally reported to the IRS Form W-2 wages, interest and dividend income, prior refunds, property tax information, and other deductions, among other things, but omitted all of the money he embezzled from Allied Materials, Inc. which defendant BLEICHER used for his personal benefit. Thus, defendant BLEICHER failed to disclose and report a significant portion of this income on his tax returns, thereby causing those tax returns to substantially understate the amount of income he received.

6. On or about February 20, 2012, defendant MITCHELL BLEICHER filed a 2011 U.S. Individual Income Tax Return, Form 1040 on behalf of himself and his wife. That return stated that their taxable income for the calendar year 2011 was \$46,036 and requested a tax refund of \$23,650.

7. The tax return did not include approximately \$66,727 in additional taxable income defendant MITCHELL BLEICHER received in 2011. Based

upon this income, an additional tax of approximately \$18,607 was due and owing to the United States.

8. On or about March 18, 2013, defendant MITCHELL BLEICHER filed a 2012 U.S. Individual Income Tax Return, Form 1040 on behalf of himself and his wife. That return stated that their taxable income for the calendar year 2012 was \$0 and requested a tax refund of \$16,812.

9. The tax return did not include approximately \$134,248 in additional taxable income defendant MITCHELL BLEICHER received in 2012. Based upon this income, an additional tax of approximately \$25,850 was due and owing to the United States.

10. On or about March 17, 2014, defendant MITCHELL BLEICHER filed a 2013 U.S. Individual Income Tax Return, Form 1040 on behalf of himself and his wife. That return stated that their taxable income for the calendar year 2013 was \$0 and requested a tax refund of \$16,572.

11. The tax return did not include approximately \$154,746 in additional taxable income defendant MITCHELL BLEICHER received in 2013. Based upon this income, an additional tax of approximately \$31,285 was due and owing to the United States.

12. On or about April 6, 2015, defendant MITCHELL BLEICHER filed a 2014 U.S. Individual Income Tax Return, Form 1040 on behalf of himself and his wife. That return stated that their taxable income for the calendar year 2014 was \$0 and requested a tax refund of \$18,156.

13. The tax return did not include approximately \$237,539 in additional taxable income defendant MITCHELL BLEICHER received in 2014. Based upon this income, an additional tax of approximately \$63,193 was due and owing to the United States.

14. On or about April 15, 2016, defendant MITCHELL BLEICHER filed a 2015 U.S. Individual Income Tax Return, Form 1040 on behalf of himself and his wife. That return stated that their taxable income for the calendar year 2015 was \$2,275 and requested a tax refund of \$18,336.

15. The tax return did not include approximately \$433,569 in additional taxable income defendant MITCHELL BLEICHER received in 2015. Based upon this income, an additional tax of approximately \$134,690 was due and owing to the United States.

16. On or about April 15, 2017, defendant MITCHELL BLEICHER filed a 2016 U.S. Individual Income Tax Return, Form 1040 on behalf of himself and his wife. That return stated that their taxable income for the calendar year 2016 was \$25,314 and requested a tax refund of \$14,497.

17. The tax return did not include approximately \$544,682 in additional taxable income defendant MITCHELL BLEICHER received in 2016. Based upon this income, an additional tax of approximately \$170,445 was due and owing to the United States.

18. On or about April 2, 2018, defendant MITCHELL BLEICHER filed a 2017 U.S. Individual Income Tax Return, Form 1040 on behalf of himself and

his wife. That return stated that their taxable income for the calendar year 2017 was \$55,482 and requested a tax refund of \$11,763.

19. The tax return did not include approximately \$412,594 in additional taxable income defendant MITCHELL BLEICHER received in 2017. Based upon this income, an additional tax of approximately \$134,832 was due and owing to the United States.

20. The additional tax due and owing to the United States for tax years 2011 through 2017 was \$578,902.

21. On or about April 15, 2017, in the District of New Jersey and elsewhere, defendant

MITCHELL BLEICHER

knowingly and willfully did attempt to evade and defeat a substantial part of the income tax due and owing to the United States in that he signed and caused to be filed a false and fraudulent 2016 U.S. Individual Income Tax Return, Form 1040, described in paragraph 16 of this Information, knowing it to be false and fraudulent as described in paragraph 17 of this Information.

In violation of Title 26, United States Code, Section 7201.

FORFEITURE ALLEGATION

1. The allegations contained in Count 1 of this Information are hereby realleged and incorporated by reference for the purpose of alleging forfeitures pursuant to Title 18, United States Code, Section 981(a)(1)(C), and Title 28, United States Code, Section 2461(c).

2. Pursuant to Title 18, United States Code, Section 982(a)(1), and Title 28, United States Code, Section 2461(c), upon conviction of the offense in violation of Title 18, United States Code, Section 1957 set forth in Count 2 of this Information, the defendant, MITCHELL BLEICHER, shall forfeit to the United States of America any and all property, real or personal, that constitutes or is derived from proceeds traceable to the commission of such an offense. Defendant BLEICHER agrees to forfeit the following specific property:

a. Vehicles

Vehicle Identification Number	License Plate	Year	Make	Model
4YMUL12178V166211	TFJ39V	2008	Car Mate	
4YMMGT04198V16799	TFJ40V	2008	Car Mate	
SRE22938	QQ76ROLS	1976	Rolls Royce	Shadow
1G1YJ3D78E5132466	BATMBL1	2014	Chevrolet	Corvette
1FT7W2BT2CEA52995	SHUTOWT	2012	Ford	F250
SALGS2TFXFA214610	SUZ	2015	Land Rover	Range Rover
5A3C824DXFL003128	TPH61E	2015	Car Mate	CM8
1FTNR2CM9FKB17899	XDDF49	2015	Ford	Tra
5A3F818D3GL001272	TSJ62B	2016	Car Mate Mercedes	CM8
WDDXK7JB7HA017892	LVNDRM	2017	Benz	S63
1G1YZ2D75H5300460	MYSPORT	2017	Chevrolet	Corvette
504970	C65HVN	1993	AMG	M35
57XAAPFA8H8121227	BGTOY	2017	Polaris	Bigshot
JH2C6814FK200433	LMTIC	2015	Honda	
JYARM20E4HA000314	YFZ07	2017	Yamaha	FZO
JYARN47E6GA001123	60ANV	2016	Yamaha	XSR

JS1GX72B6H2100180	BUUSA	2017	Suzuki	GSX
JYARP30E9HA000449	SWSNF	2017	Yamaha Mercedes	FJR
WDDYK7HA0JA014131	AMGGT1	2018	Benz	GT
JH2SC7772HK000102	CBRSP	2017	Honda	CBR
JYAVP29E8JA003604	VMAAX	2018	Yamaha Harley	VMX
1HD1YGK18JC028784	PHTBY	2018	Davidson	
ZDM13BSW9HB000706	DUCAT	2017	Ducate	Diavel
JYARN39E7GA002577	R1ANV	2016	Yamaha	YZF
5JW1U1421H1161922	TSY60E	2017	ST	ST8
JF2SJAWCOJH400738	P82HHP	2018	Subaru	Forester

b. Jewelry (items purchased from Bernie Robbins Jewelers):

- i. Rolex Mens 18kyg Sky-Dweller
- ii. Silver Thin Box 2.7mm Chain 22 Inch Yurma Steel Daytona
- iii. Cosmography Black Rolex Si L/18ky Gts Jaws Of Life Skull
En Gra' Kay 18kw 4 Row Rnd Prong Set/Chanel Dr
- iv. Sil Lrg 'Classic Chain' Tapered Open I Hardy
- v. 16ktt 3 Stat Wg Rnd Dia Clusterng Th Dagld
- vi. 18kw 3 Stat Rnd Dia Cluster/Thin Twis Dagld
- vii. 18krw 3 Stat Cush On Pointe Dia Clus1dagld Mens
18kkg/Steel 41mm Datejust --- Fl Rolex
- viii. 33mm J12 Chromatic - Diamond Bezel- Chanl
- ix. Mens 40mm 16kpg Day-Date Fluted 9 Rolex

3. If any of the property described above, as a result of any act or omission of the defendant:

- a. cannot be located upon the exercise of due diligence;
- b. has been transferred or sold to, or deposited with, a third party;
- c. has been placed beyond the jurisdiction of the court;
- d. has been substantially diminished in value; or
- e. has been commingled with other property which cannot be divided without difficulty,

the United States of America shall be entitled to forfeiture of substitute property pursuant to Title 21, United States Code, Section 853(p), as incorporated by Title 28, United States Code, Section 2461(c).

Pursuant to Title 18, United States Code, Section 981(a)(1)(C), and Title 28, United States Code, Section 2461(c) and Title 18, United States Code, Section 982(a)(1).


CRAIG CARPENITO
United States Attorney

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MITCHELL BLEICHER

INFORMATION FOR
18 U.S.C. § 1343
18 U.S.C. § 1957
26 U.S.C. § 7201
18 U.S.C. § 2
18 U.S.C. §§ 981 and 982

CRAIG CARPENITO
U.S. ATTORNEY, NEWARK, NEW JERSEY

JASON M. RICHARDSON
ASSISTANT U.S. ATTORNEY
CAMDEN, NEW JERSEY
(856) 757-5026

USA-48AD8
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