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NEWS RELEASE

FORMER OWNER OF SCHUYLKILL PRODUCTS PLEADS GUILTY TO LARGEST DISADVANTAGED BUSINESS ENTERPRISE FRAUD IN USDOT HISTORY

The United States Attorney's Office for the Middle District of Pennsylvania announced today that Ernest G. Fink, Jr., 64, of Orwigsburg, Pennsylvania, pleaded guilty before Senior United States District Court Judge Sylvia H. Rambo to conspiracy to defraud the United States Department of Transportation (USDOT) and commit wire and mail fraud in connection with a \$136 million disadvantaged business enterprise (DBE) fraud scheme which is the largest DBE fraud in USDOT history. According to United States Attorney Peter J. Smith, Mr. Fink faces up to five years' imprisonment; \$250,000 or twice the gross gain or loss in fines; and mandatory restitution as a result of his guilty plea. No date has been set for sentencing.

Mr. Fink was part-owner and Chief Operating Officer of Schuylkill Products Inc. (SPI) and its wholly-owned subsidiary CDS Engineers Inc. (CDS) until April 2009 when SPI was sold. SPI was based in Cressona, Pennsylvania, and manufactured concrete bridge beams used on highway construction projects in Pennsylvania and surrounding states. Mr. Fink admitted to participating in a 15-year conspiracy to defraud USDOT, Pennsylvania Department of Transportation (PennDOT) and Southeastern Pennsylvania Transportation Authority (SEPTA) in connection with the federal government's DBE program.

USDOT provides billions of dollars a year to states and municipalities for the construction and maintenance of highways and mass transit systems on the condition that small businesses, owned and operated by disadvantaged individuals, receive a fair share of these federal funds. In Pennsylvania, PennDOT and SEPTA receive these funds and they require contractors to award a percentage of their subcontracts to eligible DBE's.

Mr. Fink admitted today that between 1993 and 2008 he and other executives at SPI diverted over 300 PennDOT and SEPTA construction contracts to SPI and CDS that were worth \$136 million and reserved for DBE's. Mr. Fink and his co-conspirators executed the scheme by using a small Connecticut highway construction firm known as Marikina Construction Corporation as a front company to obtain these lucrative government contracts.

Marikina was owned by Romeo P. Cruz of West Haven, Connecticut, a naturalized American citizen born in the Philippines. Marikina was certified by PennDOT and SEPTA as a DBE. Mr. Fink admitted that although Marikina received the DBE contracts on paper, all the work was performed by SPI and CDS personnel, and SPI and CDS received the majority of the profits. In exchange for letting SPI and CDS use its name, Marikina was paid a small fixed-fee, set by SPI.

The scheme was carried out for over 15 years because of the numerous fraudulent steps the co-conspirators took to conceal the scheme. Mr. Fink admitted that SPI and CDS personnel routinely pretended to be Marikina employees by using Marikina business cards, email addresses, stationery, and signature stamps, as well as using magnetic placards and decals bearing the Marikina logo to cover up SPI and CDS logos on SPI and CDS vehicles.

Previously, three former executives associated with SPI, CDS and Marikina entered guilty pleas for their roles in the scheme. Romeo P. Cruz, the former owner of Marikina, pleaded guilty to conspiracy and tax fraud charges in 2008 and 2009. Timothy G. Hubler, of Ashland, Pennsylvania, CDS' Vice-President in charge of field operations, pleaded guilty to conspiracy and tax fraud charges in 2008. Dennis F. Campbell, of Orwigsburg, Pennsylvania, SPI's former Vice-President in charge of sales and marketing pleaded guilty to conspiracy charges in 2008. All three await sentencing.

SPI's former co-owner, President and CEO Joseph W. Nagle of Deerfield Beach, Florida, was indicted for his role in the scheme along with Fink on November 19, 2009. The trial in that case is scheduled to begin October 4, 2010 in federal court in Harrisburg, Pennsylvania.

The investigation was conducted by the FBI, the U.S. Department of Transportation Inspector General's Office, the U.S. Department of Labor Inspector General's Office, and the Criminal Investigation Division of the IRS. Senior Litigation Counsel Bruce Brandler is supervising the prosecution.
