

FILED

UNITED STATES DISTRICT COURT
MIDDLE DISTRICT OF FLORIDA
TAMPA DIVISION

2022-12-06 PM 3:06
CLERK, US DISTRICT COURT
MIDDLE DISTRICT FLORIDA
TAMPA, FLORIDA

UNITED STATES OF AMERICA

v.

CASE NO. 8:22-cr-130-SCB-JSS
15 U.S.C. § 1
18 U.S.C. § 371

LAWRENCE O'BRIEN,
BRUCE LAROCHE, and
THOMAS DAILEY

SUPERSEDING INDICTMENT

The Grand Jury charges:

COUNT ONE

(Conspiracy to Fix Prices and Rig Bids)

Introduction

At times relevant to this Indictment:

1. The United States Army purchased millions of dollars of customized promotional products. These products included backpacks, water bottles, knives, hats, and t-shirts, often featuring the logos and insignias of Army units. The Army considered these purchases to be important to its operational needs to recruit and retain U.S. servicemembers.

2. Customized promotional products were often purchased through government purchase cards (GPCs), which are credit cards held by authorized government employees (GPC Holders), including some service members. GPC Holders were subject to spending limits when using GPCs. These limits increased

over the years. Other regulations and policies also applied to how GPC Holders make purchases. For example, GPC Holders were required, to the extent practicable, to distribute purchases equitably among qualified suppliers and make efforts to obtain reasonable prices.

3. To satisfy these regulations and policies, GPC Holders have at times solicited or required others to solicit bids (often referred to as “quotes”) from three or more vendors when purchasing customized promotional products.

Defendants and their Co-Conspirators

4. Defendant O’BRIEN was a United States citizen residing in Bradenton, Florida. Defendant O’BRIEN owned and operated several companies that sold customized promotional products to the U.S. military, including MP USA Marketing Group, Inc. (MP USA); 125 Marketing LLC (125 Marketing); Predator Products, LLC (Predator Products); and Suncoast Marketing Teams Inc. (Suncoast Marketing) (collectively the O’Brien Companies). The O’Brien Companies had business addresses in Florida.

5. Defendant O’BRIEN and employees and agents for MP USA sold customized promotional products to the U.S. military for the other three companies.

6. Defendant O’BRIEN and his employees and agents prepared bids to sell customized promotional products to the Army. Defendant O’BRIEN trained his employees and agents on how to sell customized promotional products to the Army.

7. Defendant LAROCHE was a United States citizen residing in Venice, Florida. Defendant LAROCHE owned and operated several companies that sold

customized promotional products to the U.S. military, including Allegiance Tactical LLC (Allegiance Tactical), Chrome Promotions, LLC (Chrome Promotions), and Military Survivalist LLC (Military Survivalist) (collectively the LaRoche Companies). The LaRoche Companies had business addresses in Florida.

8. Defendant LAROCHE and employees and agents for Allegiance Tactical sold customized promotional products to the U.S. military for the other two companies.

9. Defendant LAROCHE and his employees and agents prepared bids to sell customized promotional products to the Army. Defendant LAROCHE trained his employees and agents on how to sell customized promotional products and typically reviewed bids before they were submitted to the Army.

10. Defendant DAILEY was a United States citizen residing in Bradenton, Florida. He owned and operated Mission Quest Advertising, LLC (Mission Quest), which sold customized promotional products to the U.S. military. Mission Quest's business address was in Florida.

11. Defendant DAILEY and his employees and agents prepared bids to sell customized promotional products to the Army.

12. Whenever this Indictment refers to any act, deed or transaction of any company, it means that the company engaged in the act, deed, or transaction by or through its officers, directors, agents, employees, or other representatives while they were actively engaged in the management, direction, control, or transaction of its business affairs.

13. Other corporations and individuals not made defendants in this Indictment participated as co-conspirators in the offenses charged herein and performed acts and made statements in furtherance of the conspiracies charged.

Description of the Offense

14. From at least as early as January 2014 and continuing through at least as late as December 2019, the exact dates being unknown to the Grand Jury, in the Middle District of Florida and elsewhere, defendants

LAWRENCE O'BRIEN,
BRUCE LAROCHE, and
THOMAS DAILEY

knowingly entered into a conspiracy to suppress and eliminate competition by fixing prices and rigging bids for customized promotional products sold to the Army. The conspiracy engaged in by O'BRIEN, LAROCHE, DAILEY, and their co-conspirators was a *per se* unlawful, and thus unreasonable, restraint of interstate trade and commerce in violation of Section 1 of the Sherman Antitrust Act, 15 U.S.C. § 1.

Means and Methods of the Conspiracy

15. For the purpose of forming and carrying out the charged conspiracy, the Defendants and their co-conspirators, did those things that they conspired to do, including, among other things:

a. communicated about fixing prices and agreed to fix prices of customized promotional products sold to the Army;

b. communicated about rigging bids and agreed to rig bids to sell customized promotional products to the Army;

c. agreed to provide, and did provide, templates for each other's bids (quotes) so that a Defendant or co-conspirator could submit one or more bids to sell customized promotional products to the Army from a competitor's company(ies), giving the impression that each bid had been submitted or prepared by an independent competitor, when in fact each bid submitted had been prepared by the same Defendant or co-conspirator;

d. agreed to prepare and submit one or more bids to sell customized promotional products to the Army to give the appearance of competition when, in fact, each price, product quantity, product description, and other information on each bid (quote) submitted had been set by the same Defendant or co-conspirator;

i. for example, Defendant LAROCHE directed a co-conspirator to disguise the fact that bids submitted were all drafted by Defendant LAROCHE and his co-conspirator

Sent: Monday, August 8, 2016 10:58:45 AM
To: [REDACTED]
From: "Bruce LaRoche <bruce@allegiancetactical.com>" <bruce@allegiancetactical.com>
Subject: Competing Quotes

[REDACTED]

When writing competing quotes you have to make them all different from the wording to where it is going etc.

Look at the 3 quotes I just sent you and look at the differences on all 3...I says logo another says imprint and so on. Look at how I did the set-ups differently. Look at how I worded each quote differently. You have to do this when you are writing competing quotes or else they will find out that we are writing them all...we have to be cautious on doing this.

e. agreed that, if a Defendant or co-conspirator drafted a bid and asked another Defendant or co-conspirator to submit it to the Army, and the latter won the sale, the Defendant or co-conspirator who drafted the bid would fulfill the

sale and pay the purportedly “winning” Defendant or co-conspirator (or a company under the control of that Defendant) approximately 10% to 14% of the revenues from the sale;

f. agreed to prepare and submit to the Army bids (quotes) to sell customized promotional products to make it appear to the U.S. military that the Defendants’ companies had competed when, in fact, the Defendants and their co-conspirators had arranged in advance which company would win;

g. prepared and submitted to the Army bids (quotes) to sell customized promotional products at artificially determined, non-competitive prices;

h. submitted invoices and received payments for customized promotional products at artificially determined, non-competitive prices; and

i. provided customized promotional products to the Army at artificially determined, non-competitive prices.

Trade and Commerce

16. During the relevant period, the Defendants and the companies they owned, operated, and/or controlled sold and shipped customized promotional products to Army personnel at military bases across the United States and in overseas locations, in a continuous and uninterrupted flow of interstate commerce; and the Defendants and the companies they owned, operated, and/or controlled received payment for those products in Florida from payors outside the state of Florida, including agencies of the Department of Defense, in a continuous and uninterrupted flow of interstate commerce.

17. During the relevant period, the business activities of the Defendants and their co-conspirators were within the flow of, and substantially affected, interstate trade and commerce.

All in violation of 15 U.S.C. § 1.

COUNT TWO
(Conspiracy to Defraud the United States)

18. Paragraphs 1–3, 7–9, 12–13 are realleged and incorporated by reference as if they were fully set forth herein.

19. The relevant period began from at least as early as January 2014 and continued through at least as late as December 2019, the exact dates being unknown to the Grand Jury.

20. The Army purchased customized promotional products from the LaRoche Companies to fulfill important operational needs to recruit and retain U.S. service members. The Army often purchased these products from the LaRoche Companies using GPCs. Defendant LAROCHE and his co-conspirators knew GPCs had spending limits, and purchases were required to be reasonably-priced and equitably distributed among suppliers to the extent practicable.

21. Many Army personnel sought to satisfy these requirements by seeking out multiple bids (quotes) from companies that supplied customized promotional products. The competition created for these purchases was critical to the Army's being able to get the best products for the lowest prices.

22. Defendant LAROCHE and co-conspirators knowingly and voluntarily created and submitted sham bids to the Army to circumvent purchasing requirements. The sham bids gave the appearance of competition when, in truth, the co-conspirators drafted all of the bids, and those bids did not compete against one another.

Description of the Offense

23. During the relevant period, in the Middle District of Florida and elsewhere,

BRUCE LAROCHE

and his co-conspirators did knowingly and willfully combine, conspire, confederate, and agree to defraud the United States and agencies thereof, to wit, the Army, to cheat the United States out of money and to impair, obstruct, and defeat by dishonest means the lawful function of the Army's purchase of customized promotional products at reasonable prices, in violation of 18 U.S.C. § 371.

Object of the Conspiracy

24. The object of the conspiracy was for Defendant LAROCHE and his co-conspirators to cheat the United States out of money and to interfere with and obstruct the Army's acquisition of customized promotional products. Defendant LAROCHE and his co-conspirators sought to obtain sales of customized promotional products from these customers without following purchasing requirements, regulations, and policies, including those requiring their customers to pay reasonable prices for those products, distribute purchases equitably among

suppliers to the extent practicable, and purchase less than the transaction limits imposed on GPC Holders.

Means and Methods of the Conspiracy

25. For the purpose of forming and carrying out the charged conspiracy, Defendant LAROCHE and his co-conspirators did those things that they conspired to do, including, among other things:

a. submitted bids to sell customized promotional products to the Army that listed different company names and phone numbers for each of the LaRoche Companies to give the impression that the companies competed with each other, despite the fact that Defendant LAROCHE owned, operated, or controlled all three companies, and Allegiance Tactical sales representatives represented all three companies;

b. submitted bids to sell customized promotional products to the Army that listed different sales representatives to give the impression that the companies competed with each other, despite the fact that Defendant LAROCHE and co-conspirators acting on his behalf or at his direction prepared all of the sham bids, handled the resulting sales, and received the commissions on those sales;

c. submitted bids to sell customized promotional products to the Army that changed the wording and ordering of product descriptions in each bid, and/or the price offered in each bid, to further create the impression that each bid was prepared by a person or company competing independently; and

d. submitted invoices to and received payments from agencies of the United States Department of Defense for customized promotional products at artificially-determined, non-competitive prices.

Overt Acts

26. In furtherance of the conspiracy and to achieve its objects, Defendant LAROCHE and his co-conspirators, together with others known and unknown, caused to be committed the following overt acts, among others, in the Middle District of Florida and elsewhere:

a. After receiving requests from the Army for bids (quotes) to sell customized promotional products, Defendant LAROCHE or co-conspirators acting on his behalf and/or at his direction drafted and provided quotes that purported to be from competing companies. The quotes listed different prices, product descriptions, business addresses, sales representatives, and phone numbers even though Defendant LAROCHE, or co-conspirators acting on his behalf or at his direction, drafted each bid.

b. In or around February 2018, after Defendant LAROCHE revised quotes and sent them back to a co-conspirator acting on his behalf and/or at his direction, Defendant LAROCHE instructed that the co-conspirator:

Sent: Tuesday, February 13, 2018 8:41:52 AM
To: [REDACTED]
From: "Bruce LaRoche <bruce@allegiancetactical.com>" <bruce@allegiancetactical.com>
Subject: [REDACTED]
Chrome Promotions [REDACTED].xlsx
[REDACTED](journals, mugs & bags).xls
Military Survivalist [REDACTED].xlsx
[REDACTED]

You really need to start writing these competing quotes like they are believable / real quotes. Please take your time and look at what I changed and did to make them look more believable / professional. They need to be more consistent and look like actual quotes that had some work put into them. For instance:

- Put the date on all quotes
- If one says with logo put with imprint on the other etc.
- Always capitalize the first letter in the sentence.
- Make one 49 cents at the end and another 89 cents at the end and so on and so on.

•
Send the attached.

All in violation of 18 U.S.C. § 371.

COUNT THREE
(Conspiracy to Defraud the United States)

27. Paragraphs 1–6, 12–13 are realleged and incorporated by reference as if they were fully set forth herein.

28. The relevant period began from at least as early as January 2014 and continued through at least as late as December 2019, the exact dates being unknown to the Grand Jury.

29. The Army purchased customized promotional products from the O'Brien Companies to fulfill important operational needs to recruit and retain U.S. service members. The Army often purchased these products from the O'Brien Companies using GPCs. Defendant O'BRIEN and his co-conspirators knew GPCs had spending limits and purchases were required to be reasonably-priced and equitably distributed among suppliers to the extent practicable.

30. Many Army personnel sought to satisfy these requirements by seeking out multiple bids (quotes) from companies that supplied customized promotional products. The competition generated for these purchases was critical to the Army's being able to get the best products for the lowest prices.

31. Defendant O'BRIEN and co-conspirators knowingly and voluntarily created and submitted sham bids to the Army to circumvent purchasing requirements. The sham bids gave the appearance of competition when, in truth, the co-conspirators drafted all of the bids, and those bids did not compete against one another.

Description of the Offense

32. During the relevant period, in the Middle District of Florida and elsewhere,

LAWRENCE O'BRIEN

and his co-conspirators did knowingly and willfully combine, conspire, confederate, and agree to defraud the United States and agencies thereof, to wit, the Army, to cheat the United States out of money and to impair, obstruct, and defeat by dishonest means the lawful function of the Army's purchase of customized promotional products at reasonable prices, in violation of 18 U.S.C. § 371.

Object of the Conspiracy

33. The object of the conspiracy was for Defendant O'BRIEN and his co-conspirators to cheat the United States out of money and to interfere with and obstruct the Army's acquisition of customized promotional products. Defendant

O'BRIEN and his co-conspirators sought to obtain sales of customized promotional products from these customers without following the purchasing requirements, regulations, and policies compelling the customers to pay a reasonable price for those products, distribute purchases equitably among suppliers to the extent practicable, and purchase less than the transaction limits imposed on GPC Holders.

Means and Methods of the Conspiracy

34. For purposes of forming and carrying out the charged conspiracy, Defendant O'BRIEN and his co-conspirators did those things that they conspired to do, among other things:

a. submitted bids to sell customized promotional products to the Army that listed different company names and phone numbers for each of the O'Brien Companies to give the impression that the companies competed with each other, despite the fact that Defendant O'Brien owned or controlled all four companies, and MP USA sales representatives represented all four companies;

b. submitted bids to sell customized promotional products to the Army that listed different sales representatives for each O'Brien Company to give the impression that the companies competed with each other, despite the fact that Defendant O'BRIEN or a co-conspirator acting on his behalf and at his direction prepared all of the sham bids, handled the resulting sales, and received the commissions on those sales;

c. submitted bids to sell customized promotional products to the Army that changed the wording and ordering of product descriptions in each bid,

and/or the price offered in each bid, to further create the impression that each bid was prepared by a person or company competing independently; and

d. submitted invoices to and received payments from agencies of the United States Department of Defense for customized promotional products at artificially-determined, non-competitive prices.

Overt Acts

35. In furtherance of the conspiracy and to achieve its objects, Defendant O'BRIEN and his co-conspirators, together with others known and unknown, caused to be committed the following overt acts, among others, in the Middle District of Florida and elsewhere:

a. After receiving requests from the Army for bids (quotes) to sell customized promotional products, Defendant O'BRIEN or co-conspirators acting on his behalf or at his direction drafted and provided quotes that purported to be from competing companies. The quotes listed different prices, products descriptions, sales representatives, business addresses, and phone numbers even though Defendant O'BRIEN, or co-conspirators acting on his behalf or at his direction, had drafted each bid.

b. For example, on or about December 13, 2019, a co-conspirator drafted three quotes that purported to be from competing companies, listing different item prices, item quantities, item descriptions, shipping fees, sales representatives, business addresses, and phone numbers, and sent the quotes to an Army representative.

All in violation of 18 U.S.C. § 371.




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FORM OBD-34

December 22

No.

UNITED STATES DISTRICT COURT

Middle District of Florida

Tampa Division

THE UNITED STATES OF AMERICA

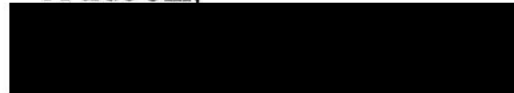
vs.

LAWRENCE O'BRIEN,
BRUCE LAROCHE, and
THOMAS DAILEY

SUPERSEDING INDICTMENT

Violations: 15 U.S.C. § 1 and 18 U.S.C. § 371

A true bill,



/ Foreperson

Filed in open court this 6th day of December, 2022.

Clerk

Bail \$ _____
