Owners of Imaging Product Companies Pay \$220,000 to Resolve Allegations of Fraud Against Federal Government Agencies - GSA Office of Inspector General Owners of Imaging Product Companies Pay \$220,000 to Resolve Allegations of Fraud Against Federal

## **Government Agencies**

Department of Justice U.S. Attorney's Office Eastern District of California November 16, 2021

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SACRAMENTO, Calif. — Jimmy A. Meron, owner of WOW Imaging Products LLC (WOW) and part owner of Time Enterprises LLC (Time), has paid \$100,000 to resolve allegations of knowingly overcharging federal agencies for imaging products; Michael J. Lowe, Meron's co-owner of Time, has paid an additional \$120,000, Acting U.S. Attorney Phillip A. Talbert announced.

These payments are in addition to over \$1.7 million dollars forfeited by Meron and Lowe in connection with a criminal investigation that resulted in Meron's criminal plea to felony wire fraud. Lowe was not charged in the criminal proceeding.

Through their companies WOW and Time, Meron and Lowe contracted to sell office supplies to federal agencies on two web-based government sales portals, GSA Advantage, operated by the General Services Administration, and DoD EMall, operated by the Department of Defense. WOW and Time routinely substituted less expensive printer cartridges for brand-name cartridges ordered by federal-agency customers and retained the difference in cost. In order to evade detection, WOW and Time flagged customers who complained to receive the appropriate product in future orders.

"Those who do business with the government must do so fairly and honestly," said Acting U.S. Attorney Talbert. "This office will seek appropriate remedies against government contractors who knowingly overcharge United States agencies for products."

"This settlement reflects the GSA OIG's commitment to work with our law enforcement partners to investigate and hold accountable those who seek personal financial gain from fraudulently selling inferior products to the federal government," said Special Agent in Charge Theresa Quellhorst, General Services Administration, Office of Inspector General.

"The Department of Defense (DoD) maintains a high standard for the quality of the products and supplies utilized to accomplish its important mission," said Bryan D. Denny, Special Agent in Charge for the DoD Office of Inspector General, Defense Criminal Investigative Service (DCIS), Western Field Office. "Today's settlement demonstrates DCIS's commitment to working with our law enforcement partners to root out fraud in government procurement and protect the American taxpayer dollars entrusted to the DoD."

This settlement is the result of work by the U.S. Attorney's Office for the Eastern District of California with help from the General Services Administration, Office of Inspector General, and the Defense Criminal Investigative

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Services, Office of Inspector General. Assistant U.S. Attorney Catherine J. Swann handled the matter for the United States. The claims settled by this agreement are allegations only, and there has been no determination of liability.

Settlement agreements:

Download settlement\_agreement\_lowe\_-\_executed.pdf

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Source: U.S. Attorney's Office press release