

Granite Bay Man Sentenced For Multi-Million Dollar Product Substitution Fraud On Federal Government Agencies - GSA Office of Inspector General

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Department of Justice

U.S. Attorney's Office

Eastern District of California

Monday, June 17, 2019

Granite Bay Man Sentenced For Multi-Million Dollar Product Substitution Fraud On Federal Government Agencies

SACRAMENTO, Calif. — U.S. District Judge Kimberly J. Mueller sentenced Jim A. Meron, 54, of Granite Bay, today to 33 months in prison and three years of supervised release on two counts of wire fraud arising out of a government-procurement fraud scheme, U.S. Attorney McGregor W. Scott announced. As part of the sentence, the Court ordered Meron to pay restitution of \$1,622,729.13 to dozens of victims. The Court also entered a final order forfeiting more than \$1.7 million in assets seized during the investigation of Meron's crimes.

According to court documents, between May 2011 and July 2017, Meron used two office supply businesses he operated to defraud federal government agencies out of as much as \$3.5 million, in thousands of transactions, by substituting and delivering cheaper, generic versions of expensive, name-brand products his customers ordered, and pocketing the price difference.

Meron's companies, WOW Imaging Products LLC and Time Enterprises LLC, contracted to sell office supplies to federal agencies through two web-based government sales portals, GSA Advantage, operated by the General Services Administration, and DOD EMail, operated by the Department of Defense. After Meron received payments for the premium products his customers ordered, he obtained compatible products from his suppliers that cost him a fraction of what his customer paid for the brand-name products they ordered. Meron then substituted and delivered those cheaper products for the more expensive products his customers ordered, and retained the difference in cost. Over time, Meron extended his substitution scheme to nearly all orders for those name-brand products, and never intended to deliver what his customers ordered.

This case is the product of an investigation by the General Services Administration Office of Inspector General and the Defense Criminal Investigative Service. Assistant U.S. Attorneys André M. Espinosa and Kevin Khasigian are prosecuting the case.

Source: U.S. Department of Justice [press release](#).