

Little Rock Man Sentenced to Five Years in Prison for Million-Dollar Equipment Flipping Scheme - GSA Office of Inspector General

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Department of Justice

U.S. Attorney's Office
Eastern District of Arkansas
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FOR IMMEDIATE RELEASE

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LITTLE ROCK—A Little Rock man was sentenced for orchestrating a scheme that defrauded a government program intended help non-profits, municipal agencies, and disadvantaged businesses. Mark Gregory Jackson, Sr., 62, of Little Rock, was sentenced to 60 months in federal prison by United States District Judge Brian S. Miller.

Judge Miller also sentenced Jackson to three years of supervised release following his term of imprisonment. Jackson and co-conspirators Jimmy Don Winemiller, Jr., 54, and Don "Terrell" Stephens, Jr., 40, also of Little Rock, all pleaded guilty in July 2018 to conspiring to commit wire fraud. Judge Miller ordered Jackson to forfeit over \$1 million and pay up to \$350,000 to settle related tax deficiencies. Last October, Judge Miller sentenced Stephens to 30 days in jail and ordered him to forfeit over \$125,000. This March, Judge Miller sentenced Winemiller to 20 months' imprisonment and ordered him to forfeit nearly \$275,000.

The scheme targeted the Federal Surplus Property Donation Program, which allowed qualifying non-profits, municipal agencies, and disadvantaged businesses to acquire government surplus at special below-market rates. Recipients are required to demonstrate a legitimate need for the surplus, and they must agree not to sell, lease, or rent it.

Jackson operated through his construction business, Kingridge Enterprises, Inc. He gained access to the program by falsely claiming his disadvantaged nephew owned and operated Kingridge. In truth, the nephew never worked for Kingridge, drew no salary, exercised zero control, and lived over 100 miles away from its Little Rock headquarters.

Once in the program, Jackson gave false justifications to acquire surplus, which was usually construction equipment. After obtaining the construction equipment under these false pretenses, Jackson sold the equipment at steep markups. To conceal the fraud, Jackson made buyers sign sham "joint venture" contracts, and he attempted to hide the activity from investigators.

A 2013 deal illustrated the scheme. On October 1, 2013, an out-of-state equipment dealer wired Winemiller \$20,000 for a CAT 621B Scraper. Upon receipt, Winemiller paid Jackson \$18,500. On October 2, Jackson, through his construction business, successfully requested donation of the CAT 621B Scraper for just \$12,000 by falsely claiming Kingridge needed it for a "\$1.1 Million Dollar Corp [sic] Engineer Project." Over four years, Jackson unlawfully flipped more than 100 pieces of equipment through deals like this, making over \$1 million in the process.

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Cody Hiland, U.S. Attorney for the Eastern District of Arkansas, Mo Myers, Special Agent in Charge of the Memphis Field Office of the FBI, Don Abram, Special Agent in Charge for the Central Region of the Office of the Inspector General for the U.S. Small Business Association, and Jamie Willemin, Special Agent in Charge for the Southwest Region of the Office of the Inspector General for the U.S. General Services Administration, announced today's sentencing. Assistant United States Attorney Alexander D. Morgan prosecuted the case for the United States following a multi-year investigation by FBI-Memphis, SBA-OIG, and GSA-OIG.

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