

United States Attorney District of New Jersey

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NEW JERSEY BUSINESS OWNER ADMITS FRAUDULENT CLAIMS OF SERVICE-DISABLED VETERAN OWNERSHIP

Business Was Awarded Dozens of Undeserved Contracts Worth \$1.2 Million

NEWARK, N.J. – The president of a New Jersey-based furniture and design services company admitted today to fraudulently holding her business out as a service-disabled veteran-owned small business, which obtained dozens of government contracts set aside for disabled veterans, U.S. Attorney Paul J. Fishman announced.

Miriam Friedman, 54, of Teaneck, N.J., pleaded guilty to an information charging her with making false claims to the U.S. Department of Veterans Affairs (VA). She entered her guilty plea before U.S. District Judge Esther Salas in Newark federal court.

According to documents filed in this case and statements made in court:

Friedman is the president and owner of Office Dimensions Inc. – which sells furniture and design services to industrial and government customers – controlling all its revenues and running the company's day-to-day operations. Friedman never served in the U.S. military.

Friedman self-certified in a central registry for government contractors that Office Dimensions was a service-disabled veteran-owned small business. She falsely claimed in the certification that her father-in-law – who was retired, unemployed and had very little involvement with Office Dimensions – was the owner and operator of the business. He had served in the U.S. military, but was not classified as a service-disabled veteran. Friedman then started bidding for VA contracts set aside for service-disabled veterans who own their own businesses.

During her guilty plea proceeding, Friedman admitted that she knew her claims were false, and that they led to dozens of contracts with the VA to provide furniture and interior space planning at VA facilities.

In total, the VA paid approximately \$1.2 million to Office Dimensions based on contracts set aside for service-disabled veterans.

The charge carries a maximum potential penalty of five years in prison and a \$250,000 fine, or twice the gain or loss caused by the offense. Sentencing is currently scheduled for Sept. 3, 2014, before U.S. District Judge Jose L. Linares.

U.S. Attorney Fishman credited special agents of the U.S. Department of Veterans Affairs, Office of Inspector General, under the direction of Special Agent in Charge Jeffrey G. Hughes; the U.S. General Services Administration, Office of Inspector General, under the direction of Special Agent in Charge James E. Adams; and IRS-Criminal Investigation, under the direction of Acting Special Agent in Charge Jonathan D. Larsen, with the investigation.

The case is being prosecuted by Scott B. McBride, Deputy Chief of the U.S. Attorney's Economic Crimes Unit, and Assistant U.S. Attorney Danielle A. Walsman of the office's Health Care and Government Fraud Unit.

14-187 ###

Defense counsel: Brian J. Neary Esq.; Perry Primavera Esq., Hackensack and Hoboken, N.J.