



Department of Justice

FOR IMMEDIATE RELEASE
FRIDAY, OCTOBER 28, 2011
WWW.JUSTICE.GOV

AT
(202) 514-2007
TTY (866) 544-5309

FORMER OWNERS OF FLORIDA AIRLINE FUEL SUPPLY AND INDIANA FLIGHT MANAGEMENT SERVICES COMPANIES SENTENCED TO PRISON FOR CONSPIRING TO DEFRAUD RYAN INTERNATIONAL AIRLINES

WASHINGTON – A former owner and operator of a Florida-based airline fuel supply service company and a former owner and operator of an Indiana-based flight management services company were sentenced today to serve prison time and to pay restitution for conspiring to commit wire fraud and honest services fraud in separate schemes to defraud Ryan International Airlines, a charter airline company located in Rockford, Ill., the Department of Justice announced today.

James E. Murphy, the former owner and operator of a Florida aviation fuel supply company, was sentenced to 23 months in prison and to pay \$42,500 in restitution. David A. Chaisson, the former owner and operator of an Indiana flight management services company, was sentenced to 16 months in prison and to pay \$50,742.48 in restitution.

On Aug. 12, 2011, Murphy and Chaisson pleaded guilty in separate two-count felony charges in U.S. District Court in Fort Lauderdale, Fla., for participating in different conspiracies with co-conspirators to defraud Ryan by making kickback payments to Wayne E. Kepple, a former vice president of ground operations for Ryan, in exchange for Kepple awarding their respective companies business.

Ryan provides air passenger and cargo services for corporations, private individuals, professional sports teams and the U.S. government, including the U.S. Department of Defense, the U.S. Department of Homeland Security and the U.S. Marshals Service.

According to court documents, Murphy paid more than \$130,000 in kickbacks to Kepple, who was responsible for procuring jet fuel for Ryan flights, in exchange for Kepple providing aviation fuel contracts to Murphy's company and to two other aviation fuel supply companies where Murphy worked as a corporate bookkeeper. In a separate conspiracy, according to court documents, Chaisson paid Kepple more than \$60,000 in kickbacks, including payments based on fabricated invoices submitted by Chaisson's company to Ryan. Chaisson's company was responsible for managing the ground operations for Ryan flights.

On Sept. 29, 2011, Kepple was charged with conspiracy to commit wire fraud and honest services fraud in three separate kickback schemes to defraud Ryan involving Murphy, Chaisson,

Robert Riddell, the former owner and operator of an airline security and ground service company, and others. On Oct. 17, 2011, Riddell pleaded guilty in U.S. District Court in West Palm Beach, Fla., for conspiring with Kepple to defraud Ryan. He is scheduled to be sentenced on Dec. 20, 2011.

The investigation is being conducted by the Antitrust Division's Atlanta Field Office and the National Criminal Enforcement Section and the U.S. Department of Defense's Office of Inspector General, with assistance from the U.S. Attorney's Office in Fort Lauderdale. Anyone with information concerning anticompetitive conduct in the airline charter services industry is urged to call the Antitrust Division's Atlanta Field Office at 404-331-7100 or visit <http://www.justice.gov/atr/contact/newcase.htm>.

###

11-1424