

UNITED STATES DISTRICT COURT  
NORTHERN DISTRICT OF GEORGIA  
ATLANTA DIVISION

UNITED STATES OF AMERICA )  
 )  
 v. ) Criminal No.: 1:05-CR-285  
 )  
 ) Filed: 06/23/2005  
 PATRICK JOSEPH CROWE III, )  
 ) Violation: 18 U.S.C. § 371  
 )  
 Defendant. )  
 \_\_\_\_\_ )

**INFORMATION**

The United States of America, acting through its attorneys, charges:

**COUNT ONE--CONSPIRACY**  
(18 U.S.C. § 371)

1. PATRICK JOSEPH CROWE III is hereby made a defendant on this charge.

**I. DEFENDANT AND CO-CONSPIRATORS**

2. During the period covered by this Information, defendant Crowe, a resident of Chattanooga, Tennessee, was employed as a salesman for Chemical Products Technologies, LLC ("CPT"), a corporation organized and existing under the laws of the State of Georgia with its principal place of business in Cartersville, Georgia. Among other products, CPT sold anthraquinone, a pulping additive used to increase production in the pulp and paper industry, and glyphosate, an herbicide used to control grasses and

weeds, to customers throughout the United States. The majority owner of CPT was Chemical Products Corporation (“CPC”), a Cartersville, Georgia company engaged in the business of mining and manufacturing various chemicals.

3. Co-Conspirator Number One (“CC-1”) was employed as the general manager of CPT. In his position as general manager, CC-1 was responsible for the operation and profitability of the company. CC-1 was also the owner of Grey Bear, a Georgia corporation that owned 21% of CPT.

4. Co-Conspirator Number Two (“CC-2”) was the sole owner and operator of an independent trucking company in Tennessee, who was hired to deliver anthraquinone for CPT.

## II. DESCRIPTION OF THE OFFENSE

5. Beginning at least as early as July 2000, and continuing thereafter at least through October 10, 2003, the exact dates being unknown to the United States, in the Northern District of Georgia and elsewhere, the defendant, CC-1, and CC-2 did unlawfully, willfully, and knowingly combine, conspire, confederate, and agree in violation of Title 18, United States Code, Section 371, to commit offenses against the United States of America, to wit, to violate Title 18, United States Code, Sections 1341 and 1346.

6. It was a part and object of said conspiracy that the defendant, CC-1, and CC-2, having devised and intending to devise a scheme and artifice to defraud CPT and deprive CPT of its right to the honest services of its employees, executed such scheme and artifice to defraud by and through the use of the United States mail.

III. THE MANNER AND MEANS BY WHICH THE CONSPIRACY WAS CARRIED OUT

7. The defendant, CC-1, and CC-2 participated in a kickback scheme to defraud CPT, whereby they all agreed that CC-2 would make kickback payments to the defendant's shell corporation in exchange for ensuring that CC-2 received business from CPT. As a result of the scheme and artifice to defraud, CC-2 paid the defendant kickback payments totaling \$69,428.27, a portion of which the defendant paid to CC-1. The defendant and CC-1 concealed the kickback agreement and kickback payments from CPT and CPC.

8. The defendant and CC-1 had a fiduciary duty to transact business in the best interest of CPT, and to act honestly and faithfully in all of their dealings with CPT, including a duty to make full and fair disclosure to CPT of any kickbacks they received, or expected to receive, from CC-2 during the

course of their employment. The defendant breached his fiduciary duty to CPT by receiving unauthorized kickback payments from CC-2.

9. For the purpose of forming and effectuating the aforesaid conspiracy, the defendant, CC-1, and CC-2 did those things that they combined and conspired to do, including, among other things:

(a) The defendant recruiting CC-2 to haul anthraquinone for CPT and then soliciting kickbacks from CC-2 in exchange for CC-2 obtaining and retaining business with CPT;

(b) The defendant, CC-1, and CC-2 agreeing that CC-2 would charge CPT an inflated price for each load of anthraquinone delivered by CC-2;

(c) The defendant, CC-1, and CC-2 agreeing that CC-2 would pay kickback money to the defendant's shell corporation for every load of anthraquinone delivered by CC-2;

(d) The defendant agreeing with CC-1 to share the kickback payments received from CC-2;

(e) The defendant and CC-1 retaining and using the kickback money for their own personal benefit;

(f) The defendant and CC-1 concealing from CPT and CPC the kickback agreement with CC-2 and the payments made by CC-2 to the defendant's shell corporation;

(g) The defendant and his co-conspirators mailing and/or causing to be mailed inflated invoices, kickback checks, and other documents pertaining to the scheme to defraud; and

(h) The defendant traveling across state lines into Georgia to deliver to CC-1 unlawfully obtained funds generated by their scheme to defraud CPT.

#### IV. OVERT ACTS

10. In furtherance of the conspiracy and to effect the illegal objects thereof, the defendant, CC-1, and CC-2 committed overt acts in the Northern District of Georgia and elsewhere, including, but not limited to:

(a) CC-2 sending numerous inflated invoices to CPT, via United States mail, which were all received by CPT in Cartersville, Georgia;

(b) The defendant, CC-1, and CC-2 causing CPT to place checks into the United States mail in Cartersville, Georgia for delivery to CC-2 in payment of the inflated invoices;

(c) The defendant traveling across state lines on several occasions and hand-delivering kickback payments to CC-1 in Cartersville, Georgia;

(d) CC-1 depositing kickback payments received from the defendant into a personal account at Bartow County Bank in Cartersville, Georgia.

#### V. JURISDICTION AND VENUE

11. The conspiracy charged in this Count was formed and carried out, in part, in the Northern District of Georgia within the five years preceding the filing of this Information.

ALL IN VIOLATION OF TITLE 18, UNITED STATES CODE,  
SECTION 371.

#### COUNT TWO--CONSPIRACY (18 U.S.C. § 371)

12. PATRICK J. CROWE III is hereby made a defendant on this charge.

## I. DEFENDANT AND CO-CONSPIRATORS

13. Paragraphs 2 and 3 of Count One of this Information are repeated, realleged, and incorporated in Count Two with the same force and effect as if fully set forth in this Count.

14. From at least March 2002 until at least December 2002, the defendant was the primary salesman for CPT's glyphosate business and reported directly to CC-1.

15. Co-Conspirator Number Three ("CC-3") was the owner of a Nevada corporation in the business of forming corporate entities and providing nominee services to such entities.

## II. DESCRIPTION OF THE OFFENSE

16. Beginning at least as early as April 2002, and continuing thereafter at least through December 3, 2002, the exact dates being unknown to the United States, in the Northern District of Georgia and elsewhere, the defendant, CC-1, and CC-3 did unlawfully, willfully, and knowingly combine, conspire, confederate, and agree in violation of Title 18, United States Code, Section 371, to commit offenses against the United States of America, to wit, to violate Title 18, United States Code, Sections 1341 and 1346.

17. It was a part and object of said conspiracy that the defendant, CC-1, and CC-3, having devised and intending to devise a scheme and artifice to defraud CPT and deprive CPT of its right to the honest services of its employees, executed the scheme and artifice to defraud by and through the use of a commercial interstate carrier.

III. THE MANNER AND MEANS BY WHICH THE CONSPIRACY WAS CARRIED OUT

18. The defendant and CC-1 devised and, along with CC-3, participated in a scheme and artifice to defraud CPT out of profits from its glyphosate business. To execute the scheme, the defendant hired CC-3 to act as a nominee for CDFD, Inc., a Wyoming corporation owned by the defendant. At the instruction of the defendant, CC-3 opened a bank account for CDFD. The defendant and CC-1 concealed the defendant's ownership of CDFD and his control over the CDFD business account.

19. In furtherance of the scheme and artifice to defraud, the defendant and CC-1 misled CPT and CPC to believe that CDFD was an escrow agent, and arranged to have all funds generated by CPT's glyphosate business deposited into the CDFD business account set up by CC-3. It was CPT's intention that the funds deposited into the CDFD bank account would



be used to pay CPT's glyphosate supplier, with the balance disbursed to CPT and Zetachem, U.S.A. (CPT's former partner in the glyphosate business). The defendant and CC-1, who were, at all times, aware that they were not authorized to use these funds for their personal benefit, diverted funds from the CDFD business account for their own personal use. As a result of the scheme and artifice to defraud, the defendant unlawfully received at least \$17,416.59 from the CDFD account and CC-1 received at least \$39,412.62. At the time these payments were made, CPT and CPC were unaware that the defendant and CC-1 were stealing profits from CPT's glyphosate business.

20. The defendant and CC-1 had a fiduciary duty to transact business in the best interest of CPT, and to act honestly and faithfully in all of their dealings with CPT, including a duty to disclose to CPT the defendant's ownership of CDFD, Inc., the defendant's control over the CDFD business account, and any payments the defendant and CC-1 received from the CDFD business account during the course of their employment. The defendant breached his fiduciary duty to CPT by stealing profits from CPT's glyphosate business for his own personal use.

21. For the purpose of forming and effectuating the aforesaid conspiracy, the defendant, CC-1, and CC-2 did those things that they combined and conspired to do, including, among other things:

(a) The defendant and CC-1 agreeing to use the defendant's corporation, CDFD, Inc., to divert profits from CPT's glyphosate business for their own personal use;

(b) The defendant hiring CC-3 to serve as a nominee for CDFD, Inc., and instructing CC-3 to open a bank account for the corporation;

(c) CC-3 setting up a bank account under the name CDFD, Inc. and concealing the defendant's ownership and control over the corporation and bank account;

(d) The defendant and CC-1 misleading CPT and CPC to believe that CDFD, Inc. was an independent corporation able to serve as an escrow agent for CPT's glyphosate business;

(e) The defendant and CC-1 sending instructions to CC-3 to execute the scheme, including ordering CC-3 to charge CPT phony fees on behalf of CDFD, Inc.;

(f) The defendant sending instructions to CC-3 and his employees to send checks drawn on the CDFD bank account and made

payable to the defendant and CC-1, to the defendant's residence in Tennessee;

(g) The defendant and CC-1 retaining and using funds from the CDFD bank account for their own personal benefit;

(h) The defendant and CC-1 concealing their relationship to CDFD, Inc. and their control over the CDFD bank account from CPT and CPC;

(i) The defendant, CC-1, and CC-3 mailing and/or causing to be mailed documents and checks relating to their scheme to defraud CPT;

(j) The defendant traveling across state lines into Georgia to deliver to CC-1 unlawfully obtained funds generated by their scheme to defraud CPT.

#### IV. OVERT ACTS

22. In furtherance of the conspiracy and to effect the illegal objects thereof, the defendant, CC-1, and CC-3 committed overt acts in the Northern District of Georgia and elsewhere, including, but not limited to:

(a) CC-1 sending documents, via facsimile, from Cartersville, Georgia to CC-3 in Nevada, instructing CC-3 to bill CPT for phony fees;

(b) The defendant causing checks drawn on the CDFD business account to be placed in the United States mail and delivered to the defendant's residence in Tennessee;

(c) The defendant hand-delivering funds stolen from the CDFD business account to CC-1 in Cartersville, Georgia;

(d) CC-1 depositing funds generated by the scheme and artifice to defraud CPT into his personal account at Bartow County Bank in Cartersville, Georgia.

#### V. JURISDICTION AND VENUE

23. The combination and conspiracy charged in this Count was formed and carried out, in part, in the Northern District of Georgia within the five years preceding the filing of this Information.

ALL IN VIOLATION OF TITLE 18, UNITED STATES CODE,  
SECTION 371.

Dated this 23rd day of June, 2005.

/S/  
R. HEWITT PATE  
Assistant Attorney General

/S/  
NEZIDA S. DAVIS  
Chief, Atlanta Field Office  
Georgia Bar No. 642083

/S/  
SCOTT D. HAMMOND  
Deputy Assistant Attorney General

/S/  
GLENN D. BAKER  
Asst. Chief, Atlanta Field Office  
Georgia Bar No. 033450

/S/  
MARC SIEGEL  
Director of Criminal Enforcement

/S/  
HOLLY B. STEVENS  
Georgia Bar No. 093550

SQY /S/ for  
DAVID E. NAHMIAS  
United States Attorney  
Northern District of Georgia

/S/  
DEANA L. TIMBERLAKE-WILEY  
Member of the Maryland Bar

Attorneys  
U.S. Department of Justice  
Antitrust Division  
75 Spring Street, SW  
Suite 1176  
Atlanta, Georgia 30303  
Tel: (404) 331-7100  
Fax: (404) 331-7110