



Hawgfish Scuttlebutt



Razorback Base
United States Submarine Veterans



MARCH, 2021

Bradken Inc. pays \$10.8 million to settle False Claims Act allegations and enters into deferred prosecution agreement



Former lab director charged criminally for falsifying test results--Tacoma foundry provided substandard steel components for naval submarines for 30 years

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To perpetuate the memory of our shipmates who gave their lives in the pursuit of their duties while serving their country. That their dedication, deeds, and supreme sacrifice be a constant source of motivation toward greater accomplishments. Pledge loyalty and patriotism to the United States of America and its Constitution.

COMMANDER'S CORNER

I thought I had taken a wrong turn toward Alaska last week but enjoyed the snow. Obviously, it put a damper on any plans but it appears better days are yet to come. I am again trying to plan a luncheon for March 17th, also St. Patrick's Day mid-day. Will try Hideaway in N Little Rock, Warden and Somers Rd. No meeting format, just a Meet'nGreet. Hopefully as weather improves we can plan some outdoor activities. Our Wardroom is still intact; Jim Barnes, Mark Taylor, Joe Manning, Joe Mathis, Myna Miller, Alan Malone, Greg Zonner, Johnnie Baker and myself. I have asked John Barr to be our Base Public Affairs Officer and if he accepts know he will do a good job. We are always looking for new people to share duties so don't be shy if asked. Please share in passing the word. Thank you all.

Late note: Unfortunately, we have to cancel the Wednesday event on St. Paddy's day....stay tuned and we will update.



Billy Holloway
Base Commander



(CONT FROM PG 1)

Seattle – The Department of Justice announced today that Bradken Inc. (Bradken), a subsidiary of Hitachi Construction Machinery, has paid \$10,896,924 to resolve allegations that Bradken produced and sold substandard steel components for installation on U.S. Navy submarines, announced Assistant Attorney General of the Justice Department’s Civil Division Jody H. Hunt and U.S. Attorney Brian T. Moran for the Western District of Washington. Bradken and Bradken’s former lab director have also been charged criminally.

The United States Attorney’s Office filed a criminal complaint charging Elaine Thomas, Bradken’s former Director of Metallurgy, with Major Fraud Against the United States. Thomas will make her initial appearance in federal court in Tacoma on June 30, 2020. Also today, the United States Attorney’s Office for the Western District of Washington filed a criminal information charging Bradken with Major Fraud Against the United States. Under a deferred prosecution agreement, Bradken has accepted responsibility for the offense and has agreed to take remedial measures. If Bradken complies with the agreement, the government will dismiss the charge after three years.

According to the court filings, Bradken is the U.S. Navy’s leading supplier of high-yield steel for naval submarines. Bradken’s Tacoma foundry produces castings that prime contractors use to fabricate submarine hulls. The Navy requires that the steel meets certain standards for strength and toughness to ensure that it does not fail under certain circumstances, such as a collision. The court filings allege that, for 30 years, the Tacoma foundry (which was acquired by Bradken in 2008), produced castings that had failed lab tests and did not meet the Navy’s standards. The filings allege that Elaine Thomas, as Director of Metallurgy, falsified test results to hide the fact that the steel had failed the tests. Thomas falsified results for over 200 productions of steel, which represent a substantial percentage of the castings Bradken produced for the Navy. As part of the deferred prosecution agreement, Bradken admitted these allegations.

The court filings state there is no evidence that Bradken’s management was aware of the fraud until May 2017. At that time, a lab employee discovered that test cards had been altered and that other discrepancies existed in Bradken’s records. While Bradken initially disclosed these findings to the Navy, it then made misleading statements suggesting that the discrepancies were not the result of fraud. Bradken admits that these misleading statements hindered the Navy’s investigation and its efforts to remediate the risks presented by Bradken’s fraud.

The civil settlement resolves allegations that some of the castings Bradken produced did not conform to the Navy’s specifications. In addition to the allegations concerning the altered test results, the United States contended that Bradken invoiced shipbuilders for the parts as if they were made to the demanding military specification when they

were not, causing the shipbuilders to invoice the Navy for parts that did not meet specifications.

“Bradken placed the Navy’s sailors and its operations at risk. Further, after Bradken’s management discovered the falsified data, they misled the Navy about the scope and nature of the fraud. Government contractors must not tolerate fraud within their organizations, and they must be fully forthcoming with the government when they discover it,” said U.S. Attorney Brian T. Moran. “The Navy has taken extensive steps to ensure the safe operation of the affected submarines. Those measures will result in increased costs and maintenance. Our agreement with the company is aimed at ensuring they improve their procedures and inform their peer companies about how their systems failed to detect the fraud. We hope such steps will improve the military procurement system.”

Secretary of the Navy Kenneth J. Braithwaite stated that “U.S. Navy suppliers must meet the very highest standards of quality. Our Sailors and Marines depend upon them to provide the very best equipment thereby enabling the Navy to meet world-wide commitments. While the Navy remains dedicated to maintaining and revitalizing our industrial base, we will aggressively investigate and pursue all possible recoveries from suppliers who do not meet standards.”

The deferred prosecution agreement describes substantial steps taken by Bradken to cooperate with the government’s investigation and overhaul to its quality control and compliance procedures. These steps include entering into a compliance agreement with the Navy, creating new positions devoted to oversight of lab testing and tracking, creating an audit and risk committee to oversee the compliance issues, and implementing of a new lab information system with anti-fraud controls. The company will also publish a detailed account of its missteps in the *Casteel Reporter*, a trade publication, to educate other government contractors. In addition, Bradken has made changes to the management team in place at the Tacoma Foundry. If Bradken complies with all of the deferred prosecution agreement’s requirements, the government will dismiss the charge after three years.

Bradken is a Delaware corporation with its principal place of business in Kansas City, Missouri, operating as a wholly owned subsidiary of Bradken Ltd. of Newcastle, Australia, which is a subsidiary of Hitachi Construction Machinery. Elaine Thomas, 66, is a resident of Auburn, Washington.

The charges contained in the complaint against Thomas are only allegations. A person is presumed innocent unless and until he or she is proven guilty beyond a reasonable doubt in a court of law.

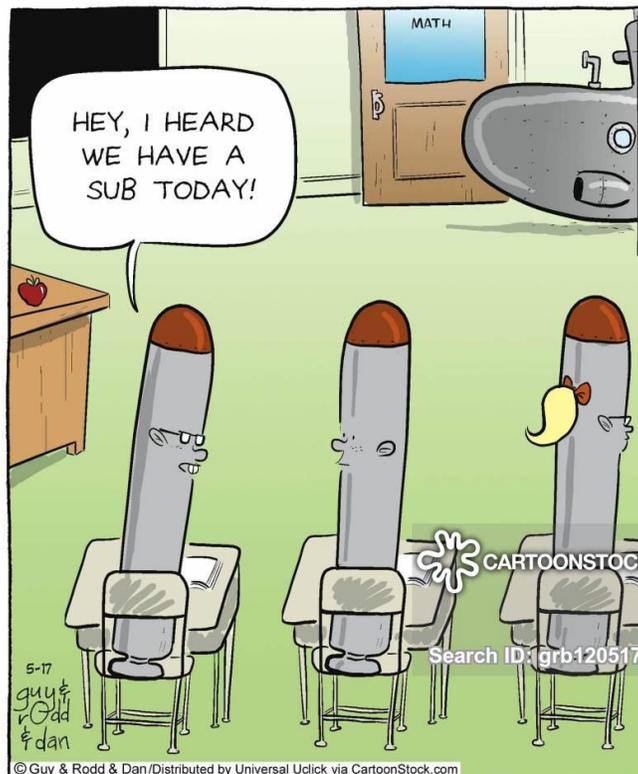
“This settlement demonstrates the commitment of the Naval Criminal Investigative Service (NCIS) and our law enforcement partners to hold companies accountable for supplying substandard products, especially products that could impact the Department

of Navy (DON) war fighting ability, battlefield superiority and the safety of our Sailors and Marines. NCIS will continue to work diligently with our law enforcement partners to safeguard DON major acquisition programs. The success of the DON war fighting ability is dependent upon a sound and reliable acquisition process” said Charles P. King, Special Agent in Charge, NCIS Northwest Field Office.

“The announced settlement is representative of the law enforcement community's relentless efforts to hold accountable those who engage in unethical business practices that endanger America's warfighters, corrupts the defense procurement process, and inexcusably wastes taxpayer dollars,” said Bryan Denny, Special Agent in Charge of the Defense Criminal Investigative Service (DCIS), Western Field Office. “This case clearly demonstrates that any unscrupulous actions by government contractors and subcontractors will be reviewed and, if appropriate, vigorously investigated by DCIS and its law enforcement partners.”

The civil settlement, deferred prosecution agreement with Bradken, and pending criminal case against Thomas are the result of a coordinated effort among the Civil Division's Commercial Litigation Branch, the U.S. Attorney's Office for the Western District of Washington, the Department of Defense's Defense Criminal Investigative Service, Naval Criminal Investigative Service, and the Defense Contract Audit Agency.

The cases are being handled by Assistant United States Attorneys Kayla Stahman, Seth Wilkinson, and David Reese Jennings for the U.S. Attorney's Office, Western District of Washington, and Art Coulter of DOJ's Civil Division Commercial Litigation Branch.





Stories of heroes aboard submarine in World War II



George Rocek (left) and Bill Dillon. Dillon was radar man on the submarine USS Swordfish (SS 192) that sunk a Japanese carrier, Chuyo, in WWII. Rocek was one of 21 POW's on board the Chuyo, and the only POW to survive. The men met for the first time at a reunion of submariners in 1987. (Courtesy Photo)

They were a couple of tough, old World War II submariners meeting for the first time at a reunion in 1987 when small talk turned serious, and they realized they had shared one hell of a night 44 years earlier in the middle of a typhoon off the southern coast of Japan.

“He was getting sunk and I was trying to sink him,” Bill Dillon said. You can't get any clearer than that.

Dillion was a radar man on the USS Sailfish (SS 192) — a submarine tracking the Japanese carrier Chuyo, escorted by two destroyers, as it headed back to port fully loaded with fighter planes.

“Intercept and sink,” the orders came down.

No one on the Sailfish knew there were 21 American POW’s on board the Chuyo who had served on the USS Sculpin (SS 191), her sister submarine that went down during an attack on a Japanese convoy weeks earlier. George Rocek was one of them.

Now, here they were having dinner more than four decades later — two men who joined the Navy and volunteered for the submarine service, the most dangerous duty in the military in WWII — reliving that night again through each other’s eyes.

You would think when the first torpedo hit the carrier, then the second, there would be a sense of dread among the POW’s on board who had just cheated death on their own sub, now staring at it again.

Instead, they cheered, Rocek said. They began jumping up and down, and yelling, “Sink the SOB,” even though they were on it. They were sealing their own fate, but it didn’t matter. Only sinking that 20,000-ton carrier did.

They knew what they were getting into when they joined the submarine service. Casualties were high, but so were results. Submarines comprised less than 2% of the Navy, yet accounted for more than 55% of all enemy ships sunk in the war. They were about to add one more.

Aboard the Sailfish, there was no cheering when the order came to fire, there was only apprehension. If they missed, those destroyers only two football fields away would be dropping depth charges on them they couldn’t out run.

With the weather this bad, missing the target was a real possibility. They were in the middle of a typhoon with 30-foot high waves. It was pitch black, two o’clock in the morning. Their periscopes were useless. They couldn’t get a visual sighting on the target.

“We had to use radar, which had just been installed in our sub in January 1943,” said Dillion, a Topanga resident. “This was Dec. 3 of the same year, and we had never used it. This was the first time. All I saw were blips on the screen to tell us they were out there, but exactly where?”

“When we got within 2,500 feet, the blips grew larger, and we started loading the torpedoes, but we couldn’t hold any depth. We were up 30 feet one minute, down 60 feet the next. There were no seatbelts.

“The guys in the torpedo room were hitting their heads on the ceiling, then slamming down on the floor. It took them hours to load those four torpedoes. We heard two booms. We knew we had hit something, but what?”

Meanwhile, on the Chuyo all hell was breaking loose, including the POWs. Suddenly, guarding prisoners of war wasn’t that important. It was every man for himself. Rocek jumped overboard, and was later picked up by one of the enemy destroyers. All the other POW’s drowned.

He was brought to Japan where he worked in the mines until the end of the war in 1945. He died in 2007 at the age of 86, and Dillion wanted to pay his respect to his old friend and all the World War II submariners still alive.

They signed up for the most dangerous duty in the war, the least we can do is remember that.

“It took us more than nine hours and 11 torpedoes to sink that carrier,” the 96-year-old Dillion said. “The POWs on board went through hell again after losing their submarine, and still they cheered, wanting that carrier sunk. What amazing courage.”

By dawn the next morning, the typhoon had passed and the skies were clear. The periscope on the USS Sailfish went up just as the Chuyo was going down.



TREASURER'S REPORT		Feb-21	
TOTAL BASE FUNDS BEGINNING BALANCE		\$	14,107.21
<u>General Fund Beginning Balance</u>		\$	4,180.79
<u>National Dues</u>		\$	75.00
<u>Base Dues</u>		\$	30.00
<u>Contribution</u>		\$	20.00
<u>General Fund Ending Balance</u>		\$	4,305.79
Designated Funds			
Maint. Fund Balance		\$	2,652.66
Charity Fund Balance		\$	372.00
Snook Memorial Fund Balance		\$	1,386.86
Designated Fund Balance		\$	4,411.52
Checking Balance (General + Designated Funds)		\$	8,592.31
Other Funds			
	CD Balance	\$	5,367.80
	Cash on hand	\$	147.00
TOTAL BASE FUNDS ENDING BALANCE		\$	14,232.21

Booster Club

Pete Jilek (2)
 Mark Taylor (5)
 George Fore (5)
 John Barr (6)
 Mem. Of Lee Huss (6)

BIRTHDAYS FOR MARCH

Frank C. Tillery 4
 James E. Baker 6
 Michael D. Drew 7
 James R. Grinstead 8
 Karl Miles 10
 John A. Ranguette 16
 Greg Schwerman 23
 Joe E. Ward 23
 Richard Childs 26
 Bonny M. Schmidt 27
 George E. Fore 30
 Frederick R. Wright 31



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Newsletter, Past Base Commander	Alan Malone	501-206-7248	o5retired@yahoo.com
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