



Defense Wants Information on Informant in Dramatic FCPA White-Collar Sting Case

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January 2010 saw the dramatic arrests of 22 individuals in the military and law enforcement equipment industry – in several companies and at various levels of responsibility – for alleged Foreign Corrupt Practices Act violations involving payments to an alleged sales agent for an unnamed African nation, later identified as Gabon. The arrests took place at a gun show in Las Vegas.

The arrests, in a case that has been dubbed “the Shot Show Takedown,” the “Nevada Sting,” and the “Africa Sting,” were the result of an elaborate 2 ½– year undercover operation in which white collar prosecutors used methods such as wiretaps and undercover agents – tactics usually associated with large-scale narcotics investigations – in an FCPA case. The FBI recorded over 5,000 phone calls and literally every meeting between defendants and the undercover agents. The case represents the largest single foreign bribery investigation and prosecution brought against individuals.

In June, U.S. District Judge Richard Leon in the District of Columbia heard oral arguments on defense motions to compel discovery and for a bill of particulars from the prosecution, which would specify the exact charges against the defendants. Defendants want information pertaining to government informant Richard Bistrong, including his tax returns, as well as internal DOJ–FBI communications about his handling, any export licenses he had been given by the federal government, and other matters.

A ruling is expected any day on defendants’ motion. After a contentious hearing, Leon said he hoped to make rulings by the end of July. Defendants have reason to be hopeful; Leon appeared surprised at the Government’s admission that it had not even seen Bistrong’s tax returns.



“I would think you would want to see those,” Leon said. “You might want to ask what he’s hiding, is he fully cooperating? I don’t want to tell you how to run your investigation.” Leon warned prosecutors that he would likely support a subpoena for the complete, unamended returns of Bistrong, which defense counsel claimed would show that Bistrong had committed tax violations, throwing his credibility as a cooperating witness into question.

Earlier, Leon grilled prosecutors over the implications of potential tax violations on Bistrong’s credibility. Leon said that if defense counsel were correct, and Bistrong had committed tax violations, such evidence would be proof not only that he had committed a federal crime, but that Bistrong had, essentially, lied under oath — evidence that would be key to defense counsel’s entrapment argument.

The district court proceedings and related issues are covered extensively at Mainjustice.com and in the [FCPA Professor Blog](#). The cases are in the U.S. District Court for the District of Columbia, Nos. 09–335 through 09–350.

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The commentary and cases included in this blog are contributed by Jeff Ifrah and firm associates Rachel Hirsch, Jeff Hamlin, Steven Eichorn and Sarah Coffey. These posts are edited by Jeff Ifrah and Jonathan Groner, the former managing editor of the Legal Times. We look forward to hearing your thoughts and comments!