

UNITED STATES DISTRICT COURT  
FOR THE DISTRICT OF COLUMBIA

UNITED STATES <u>ex rel</u>	)	
	)	
STEPHANIE SCHWEIZER	)	Civil Action No.: 1:06CV00648
320 Constitution Avenue, NE	)	Judge Royce C. Lamberth
Apartment 7	)	
Washington, DC 20002	)	
	)	
NANCY VEE	)	
2488 Andrews Avenue	)	
Melbourne, Florida 32935	)	
	)	
BRINGING THIS ACTION ON	)	COMPLAINT FOR
BEHALF OF THE UNITED STATES	)	VIOLATIONS OF
OF AMERICA	)	FEDERAL FALSE
c/o Kenneth L. Wainstein	)	CLAIMS ACT
United States Attorney	)	
555 4 <sup>th</sup> Street, N.W.	)	
Washington, D.C. 20001	)	
	)	JURY TRIAL DEMAND
- and -	)	
	)	
c/o Alberto Gonzales, Esquire	)	FILED UNDER SEAL
Attorney General of the United States	)	
Department of Justice	)	
10 <sup>th</sup> & Constitution Avenue, N.W.	)	
Washington, D.C. 20530	)	
	)	
Plaintiffs,	)	
	)	
v.	)	
	)	
OCÉ N.V.	)	
St. Urbanusweg 43	)	
Venlo, the Netherlands	)	
	)	
Serve: Registered Agent	)	
Rokus van Iperen	)	
Océ N.V.	)	
St. Urbanusweg 43	)	
Venlo, the Netherlands	)	
	)	

and )  
 )  
 OCÉ NORTH AMERICA )  
 5450 North Cumberland Avenue )  
 Chicago, Il 60656-1469 )  
 )  
 Serve: Registered Agent )  
 CT Corporation System )  
 208 S. Lasalle Street, # 814 )  
 Chicago, Il 60604 )  
 )  
 and )  
 )  
 OCÉ IMAGISTICS )  
 100 Oakview Drive )  
 Trumbull, CT 06611 )  
 )  
 Serve: Registered Agent )  
 Marc C. Breslansky )  
 CEO )  
 Océ Imagistics, Inc. )  
 100 Oakview Drive )  
 Trumbull, CT 06611 )  
 )  
 and )  
 )  
 OCÉ -USA HOLDING, INC. )  
 5450 North Cumberland Avenue )  
 Chicago, Il 60604 )  
 )  
 Serve: Registered Agent )  
 CT Corporation System )  
 208 S. Lasalle Street, # 814 )  
 Chicago, Il 60604 )  
 )  
 Defendants. )

**AMENDED COMPLAINT**

1. This is an action to recover damages and civil penalties on behalf of the United States of America arising from the false claims presented, and or caused to be

presented, by Océ N.V., Océ North America, Océ USA Holding, Inc., and Océ Imagistics, in violation of the Federal False Claims Act, 31 U.S.C. §§ 3729 et seq., as amended.

2. The False Claims Act, (hereinafter the Act) originally enacted in 1863 during the Civil War, was substantially amended by the False Claims Amendments Act of 1986 and signed into law on October 17, 1986. Congress enacted these amendments to enhance the Government's ability to recover losses sustained as a result of fraud against the United States and to provide a private cause of action for the protection of employees who act in furtherance of the purposes of the Act. Congress acted after finding that fraud in federal programs and procurement is pervasive and that the False Claims Act, which Congress characterized as the primary tool for combating fraud in government contracting, was in need of modernization.

3. The Act provides that any person who knowingly submits a false or fraudulent claim to the Government for payment or approval is liable for a civil penalty of up to \$11,000 for each such claim, plus three times the amount of the damages sustained by the Government, including attorneys' fees. The Act allows any person having information regarding a false or fraudulent claim against the Government to bring a private cause of action for himself and on behalf of the Government and to share in any recovery. The complaint is to be filed under seal for 60 days (without service on the Defendant during such 60-day period) to enable the Government (a) to conduct its own investigation without the Defendant's knowledge and (b) to determine whether to

join the action.

4. Based on these provisions, Plaintiffs/Relators seek to recover damages and civil penalties arising from Defendants' presentation of false claims to the United States Government in connection with General Services Administration Contracts Nos GS-25F-0060M; GS-35F-5275H, and other contracts with the United States Government to provide printers, copiers, and related services.

#### **PARTIES**

5. Plaintiff/Relator, Stephanie Schweizer is a resident of the District of Columbia and was formerly employed by the Defendant Océ North America in its Arlington, VA office as the GSA Schedule/Federal Manager.

6. Plaintiff/Relator, Nancy Vee is a resident of Florida and is employed by the Defendant, Océ North America as a Senior Accounts Manager in its Orlando, Florida office where she has sold wide format printers for the last ten (10) years.

7. Defendant Océ North America has its headquarters in Chicago, IL and does business in the District of Columbia and throughout the United States. It is a wholly owned subsidiary of Océ, N.V., headquartered in Venlo, the Netherlands. It has been violating the False Claims Act by selling printing products to the United States Government that were manufactured in non-designated countries and by failing to offer products to the United States at the reduced rates that it sells the same products to non-government customers. Defendant Océ North America formerly operated under the name of Océ-USA Holding, Inc.



8. Defendant Océ-USA-Holdings, Inc. is also headquartered in Chicago, IL and is a wholly owned subsidiary of Defendant Océ, N.V. of the Netherlands. It has been violating the False Claims Act by selling printing products to the United States Government that were manufactured in non-designated countries and by failing to offer products to the United States at the reduced rates that it sells the same products to non-government customers.

9. Defendant Océ Imagistics is headquartered in Trumbull, CT and is a wholly owned subsidiary of Océ, N.V. of the Netherlands. It has been violating the False Claims Act by selling printing products to the United States Government that were manufactured in non-designated countries and by failing to offer products to the United States at the reduced rates that it sells the same products to non-government customers. Defendant Océ, N.V. recently acquired Imagistics (formerly Pitney-Bowes) which is an established player in the printing/graphic industry in the Fall 2005. Imagistics became Defendant Océ Imagistics.

#### **JURISDICTION AND VENUE**

10. This court has jurisdiction over the subject matter of the action pursuant to 28 U.S.C. Section 1331 and 31 U.S.C. Section 3732 which specifically confers jurisdiction in the Court of actions brought pursuant to Title 31 section 3729.

11. Venue is proper in this District pursuant to 31 USC Section 3722(a) because the Defendants transact business with the United States Government located in the District of Columbia.

## BACKGROUND

12. Relators bring this action for violations of 31 U.S.C. §§3729 et seq. on behalf of themselves and the United States Government pursuant to 31 U.S.C. §3730(b)(1). Relators have knowledge of the false statements and/or claims presented by the Defendants to the Federal Government as alleged herein.

13. All of the products sold or leased to the United States Government by Defendant Océ North America or Defendant Océ USA-Holdings, Inc. were manufactured by or at the direction of Defendant Océ, N.V. of Venlo, the Netherlands. Océ, N.V., manufactures printers and document management systems.

14. In December, 2004, Ms. Schweizer was hired by Defendant Océ North America, in Arlington, VA as the Manager - GSA/Federal Contracts.

15. Serving in this capacity, Ms. Schweizer became familiar with the several GSA contracts under which Océ<sup>1</sup> was selling printers, copiers and related services to the United States Government.

16. Océ obtained Contract GS-25F - 0060M/ GSA Contract Schedule 36 for the period October 1, 2001 through September 30, 2006 (with three 5-year options). Océ offers 751 products for sale or lease under this contract, which is on-going. Océ also was awarded Contract No. GS - 35F - 5275H.

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<sup>1</sup> Océ, N.V., Océ North America, and Océ USA-Holding, Inc will collectively be known as "Océ." Océ Imagistics will be designated separately as Océ Imagistics.

17. Océ also acquired FedSources/FBA contracts. Pursuant to these contracts, Océ provides printing products and services to several government agencies, including: The Executive Office of the President, the Internal Revenue Service, the Department of Veterans Affairs, the Department of Agriculture; the General Services Administration, the Air National Guard, the Department of the Navy, the US Attorney/ Department of Justice, the State Department, the US Army, the Department of Housing and Urban Development, the Department of Homeland Security, and the National Labor Relations Board.

18. Océ Imagistics has a GSA contract (GS-25F-0130M) under which it offers two printers for sale to government customers, the greater bulk of its printers arrive to the government having been sold to the Government by other vendors. 309 products manufactured by Océ Imagistics are available for purchase on the GSA Advantage Website through other vendors. Since the merger in Fall 2005, Océ has begun to add the Océ Imagistics product line to its GSA schedule contract for purchase by the United States Government.

19. Clause 52.225-5, Trade Agreements, applies to these contracts. This clause states in pertinent part:

“The Contracting Officer has determined that the Trade Agreements Act and FTA’s apply to this acquisition. Unless otherwise specified, these trade agreements apply to all items in the Schedule. The Contractor shall deliver under this contract only US-made, designated country, Caribbean Basin Country, or FTA country end products except to the extent that in its offer, it specified delivery of other end products in the provision entitled “Trade Agreements



Certificate.”

FAR 52.225-5 (b)

20. Océ N.V. is located in a designated country, the Netherlands. If the products and components that it was selling or leasing to the United States were being manufactured in the Netherlands, then Océ would be in compliance with the Trade Agreements Clause.

21. Océ specifically represents to the United States Government that it's products and components are being manufactured in the Netherlands. Paragraph 5 of the Contract GS-25F - 0060M, states "The equipment offered in this contract is manufactured in the Netherlands." But this is not true. The products sold by Océ to the United States Government are either comprised completely of components made in non-designated countries and later assembled in a designated country or, they were completely manufactured and assembled in non-designated countries.

22. As Manager GSA/Federal, Ms. Schweizer had conversations with several Océ employees who confirmed that Océ products were almost completely manufactured in China or Malaysia, neither of which are designated countries.

23. In addition, Océ, N.V. 2005 Annual Report makes several statements that support this conclusion that it's products are being made in China:

However, by far the greater proportion of the components and modules incorporated in the machines ...have for many years been manufactured externally by a select group of suppliers. Since 2004 Océ machines and modules have also been produced in Asia by third parties on the basis of contract manufacturing. These are supplied directly from Asia to the Océ sales companies.



p.52 Océ, N.V. 2005 Annual Report

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Océ manufactures some of its machines and modules in Asia. The main reason for this is the lower level of wage costs, which enables a substantial reduction in the costs of assembly and components production. This considerably strengthens the company's competitive position. For its production in Asia Océ uses contract manufacturers and the expertise and networks that they have to offer. The manufacturing and sourcing of a large proportion of required components also takes place in Asia. The quality is good and the cost price is substantially lower, despite higher logistics costs. [Emphasis Added]

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By the end of 2006 about half the current [Venlo] production value will originate from Asia. Ultimately the facilities in Venlo will only manufacture complex systems, machines that are produced in small series, and strategic materials. *Id.* at page 53.

24. There are many pages of the 2005 Annual Report that further verify manufacturing activities in China. See, pages 4, 6, 14, 15, 29, 46, 52, 53, and 128.
25. Ms. Schweizer also became aware from discussions with Océ employees in the period leading up to the merger that almost the entire Océ Imagistic Product line was being produced in China.
26. Hoovers Datamonitor reports that Océ Imagistic essentially obtains its products from Konica - Minolta, Sharp and Toshiba.

**Imagistics International, formerly Pitney Bowes Office Systems, sells, rents, and services copiers and fax machines made by manufacturers such as Konica Minolta, Sharp, and Toshiba. The company sells its products to large corporate and government customers, as well as to small**

**and medium-sized businesses.** Customers include Office Depot, Toyota, Cigna, and the US Postal Service. In order to focus on its core postal equipment business, Pitney Bowes spun off Imagistics to its shareholders in 2001. Imagistics was acquired by Dutch printer and copier supplier Océ N.V. in 2005; it will be integrated with existing Océ operations in North America to form a new division called Océ Imagistics.<sup>2</sup> [Emphasis Added]

27. The Division of Konica Minolta that produces copiers and printers is called Konica Minolta Business Technologies or KBT.<sup>3</sup> A press release available at the Konica Minolta website states:

Konica Minolta Business Technologies has already shifted 90% of its production capacity to China, aiming at improving cost competitiveness and responsiveness to foreign exchange fluctuation.

28. Toshiba, which has also supplied copiers and printers to Océ Imagistics, has manufactured printers in China for 10 years according to its Press Releases. Toshiba issued a Press Release dated March 1, 1996, entitled "Toshiba's New Company

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<sup>2</sup> [http://www.hoovers.com/free/co/factsheet.xhtml?COID=104444&cm\\_ven=PAID&cm\\_cat=GGL&cm\\_pla=CO4&cm\\_ite=imagistics](http://www.hoovers.com/free/co/factsheet.xhtml?COID=104444&cm_ven=PAID&cm_cat=GGL&cm_pla=CO4&cm_ite=imagistics)

<sup>3</sup> "Konica Minolta Business Technologies...offers a comprehensive network of document solutions in the office equipment business. KBT's product offering includes color, image processing, networking products, multi-function peripherals (MFPs), all-in-one units with printing and facsimile functions, LBP's and other office systems." Page 5 of the Konica Minolta Holdings, Inc. Company Profile by Datamonitor, published April, 2005.

in China to Manufacture Plain Paper Copiers," saying:

Toshiba Corporation today announced that it will establish a new subsidiary in China to manufacture plain paper copiers (PPCs). The company, Toshiba Copying Machine (Shenzhen) Co., Ltd. will be incorporated in Shenzhen, Guangdong Province by the middle of this month, subject to formal approval from the Shenzhen authorities.

29. In its 2005 Annual Report Océ, N.V. at page 46, indicated that it had acquired the rights to a line of wide format machines manufactured by Shacoh. Shacoh is actually KIP/Shacoh. KIP is a division of Katsuragawa Electric Co., based in Hong Kong. The principle manufacturing locations for Katsuragawa are Tokyo and Taiwan. *Id.* The latter is not a designated country under the Trade Agreements Act.

30. Océ is intentionally and knowingly selling non-compliant products to the United States Government in violation of the Trade Agreements Act. Ms. Schweizer has discussed this with Mr. Ron Frost, the Director of Public Procurement for Océ. Ms. Schweizer wrote an e-mail in November, 2005 to Vice President Brian Beauchamp, who was Mr. Frost's immediate supervisor. In this e-mail, Ms. Schweizer identified the areas of non-compliance, including the potential violations of the Trade Agreements Act.

31. Surprisingly, Mr. Beauchamp responded by e-mail and agreed with her assessment. He suggested that she needed to do more research. He copied the e-mail to her boss, Mr. Ron Frost.

32. Mr. Frost was furious that Ms. Schweizer had communicated directly with Mr. Beauchamp about this issue. Angrily, Mr. Frost sent an e-mail to Mr. Beauchamp urging Mr. Beauchamp not to listen to Ms. Schweizer, and stating that he "... already



told her that we don't know what the Trade Agreements Act is." This exchange occurred in late November, 2005.

33. The contracts also contained provisions that required Océ to give the United States Government the lowest and best price.

34. 552.238-75 respecting Price Reductions states:

[C]ontractors were required to report any price reduction to the government and offer the same reduction to the government.

35. In addition, 552.238-75 states in pertinent part:

Before award of a contract, the Contracting Officer and the Offeror will agree upon (1) the customer (or category of customers) which will be the basis of award, and (2) the Government's price or discount relationship to the identified customer (or category of customers) which disturbs this relationship shall constitute a reduction.

36. It further states:

During the contract period, the Contractor shall report to the Contracting Officer all price reductions to the customer (or category of customers) that was the basis of award. The Contractor's report shall include an explanation of the conditions under which the reductions were made.

37. If the Contractor gives a non-government customer a more favorable price during the course of the contract, the Government is entitled to receive a better deal.

A price reduction shall apply to purchases under this contract if, after the date negotiations conclude, the Contractor: (i) Revises the commercial catalog, pricelist, schedule or other document upon which contract award was predicated to reduce prices; (ii) Grants more favorable

discounts or terms and conditions than those contained in the commercial catalog, pricelist, schedule or other documents upon which contract award was predicated; or (iii) Grants special discounts to the customer (or category of customers) that formed the basis of award, and the change disturbs the price/discount relationship of the Government to the customer (or category of customers) that was the basis of award.

38. When a price reduction as defined above occurs then, "The Contractor shall offer the price reduction to the Government with the same effective date, and for the same time period, as extended to the commercial customer (or category of customers)." [Emphasis added]

39. In further discussions with her co-workers in 2005, including Plaintiff/Relator Nancy Vee, Ms. Schweizer learned that Océ was routinely giving non-government customers substantially better prices for the same products and creating false documents in an attempt to hide this in the event of a government audit in violation of the above contractual provisions. Ms. Vee reviewed defendants' documents and contracts from the Orlando, Florida office which purport to show that the Government is receiving the best price but these documents contain false and misleading information.

40. Exhibit No. 1, incorporated by reference, which was prepared by Ms. Vee based upon her review of the defendants' documents in its Orlando, Florida office, shows the disparity between prices paid by non-government customers and the GSA price for the same product. It has 6 columns entitled as follows: Account Name, Products Sold, GSA Price, Sale Price after Trade; Trade in (Ha Ha); and Trade Value.

41. On the first four lines of Exhibit No. 1, TDS800 printers were sold to non-US Government Customers for \$109, 877.00 but the GSA list price for this item was \$135,590.00. No trade-in was even listed on this paperwork. Accordingly, the salespersons who completed these deals did not even try to justify the better deal offered to the non-government customer.

42. Also, on Exhibit No. 1, Kimley-Horn of Vero Beach, Florida, bought a TDS600 printer for \$30,015.00 but the GSA list price was \$40,752.00. To justify this, the salesperson indicated that he gave the customer a trade-in on a GAF Print Val for \$4,500.00. First, the \$4,500.00 trade-in does not make the government whole when a non-government customer received a \$10,000.00 discount on a product. Second, according to Ms. Nancy Vee, an Océ Senior Sales Representative specializing in wide-format printers, a GAF Print Val is probably worth less than \$4,000.00 brand new. Third, the paperwork did not indicate that Océ picked up the equipment which means the GAF Print Val is still being used by the customer, Kimley-Horn, and there was no trade-in.

43. Theoretically, it was all right to sell a printer to a non-government customer for less than the GSA price if the salesman could show that Océ gave the customer a credit on a trade-in that equaled or exceeded the improved pricing that the non-government customer obtained. If so, then at the end of the day, the Government was still receiving a better overall deal than the non-government customers. However, at Océ, the salesmen manufactured trade-in values to create a paper trail to protect the



company in the event of a Government audit.

44. Exhibit No. 1 also shows that Kimley Horn-Lynn Haven bought a TDS600 Printer from Océ for \$30,359.00. The listed GSA price for this package was \$38,943.00. The salesperson listed an HP 1055c as a trade-in with a value of \$11,721.00. Several problems exist. None of the HP products listed on Chart No.1 sell brand new for more than \$4,000.00 to \$7,000.00. Again, it would be impossible for a product with this value to cover the \$11,000.00 delta. In addition, the documents did not show that Océ picked up the HP, which means that the customer, Kimley-Horn, still has the HP; and no trade-in occurred.

45. The Kimley-Horn - Herdon VA purchase of a TDS400 printer at the bottom of page one of Exhibit No. 1 is illustrative because the gap between the GSA price and the Government price is about \$10,000.00. The trade-in was an HP - none of which are worth \$10,000.00. The disposition note indicates "Customer Scrap." That means, that Kimley-Horn allegedly disposed of the HP. Again, Océ did not receive anything of value, and the trade-in was a sham.

46. The rest of Exhibit 1 similarly shows sales where non-government customers are receiving prices far more favorable than the price offered to the Government by Defendant Océ. All of the figures reflected on Exhibit No. 1 were obtained from documents located in the Océ Florida Office.

47. Exhibit No. 2, incorporated by reference, was prepared by Ms. Vee based upon her review of defendants' documents in the Orlando, Florida office, tracks the

price of the item as reflected in the sale to Progress Energy, a private company, compared to the price that the same item was offered for sale on the GSA Advantage Web-site. Reviewing the chart, it shows that Progress Energy bought equipment from Océ at a savings that ranged from 20% to 40% off of the GSA price.

48. Exhibit No. 3, prepared by Ms. Vee based upon her review of the defendants' documents, summarizing records from the Océ office in Florida, further documents a significant gap between prices offered by Océ to non-government customers compared to the higher GSA schedule price.

49. Océ knowingly and intentionally violated its obligation under the contract to give the Government the best value by amending the GSA price whenever it gave a category of customers a better price on a similar item. Océ, upon information and belief, never notified the Government that it was giving non-government customers more favorable pricing.

50. The pricing pattern reflected on Exhibits Nos. 1, 2, and 3 is based upon information obtained from records by Ms. Vee in the Defendant Océ's Florida office, but upon information and belief, this is evidence of a pattern throughout Océ of offering more favorable prices to non-government customers, than are offered to the Government.

51. Throughout her tenure at Océ, Ms. Schweizer strove to bring the Océ GSA contracts into compliance. She noted several problems including the company's failure to update the Schedule 70 products, the delinquent Novation Agreement, the need to

change the name on the Schedule 70 to Océ North America, the impropriety of selling non-compliant goods to the Government, and the failure to give the Government the best value for Océ products. As she worked to correct these problems, Ms. Schweizer encountered resistance and hostility from her immediate supervisor, Mr. Ron Frost.

52. When the President of Imagistic announced at a company-wide meeting in November, 2005, that on January 1, 2006, the Océ Imagistics products would be added to the Océ GSA Schedules, Ms. Schweizer felt compelled to complain to upper level management because her complaints to her immediate supervisor, Ron Frost, had fallen on deaf ears.

53. From the middle of November through December 15, 2005, Ms. Schweizer met with several Océ officials - Jerry Whelan (Human Resources); Dan Harper (Océ's in-house legal counsel); and Ken Wechstein (Océ's outside legal counsel). In each instance, she advised them that Océ had significant GSA non-compliance problems. She even stated to them that she felt compelled to file a complaint for retaliation under Sarbanes-Oxley. Before she could do this, Océ sent her a termination letter on December 15, 2005 falsely accusing her of unprofessional conduct and poor performance.

### COUNT I

*(False Claims Act 31 U.S.C. §3729(a)(1) and (a)(2))*

54. Plaintiffs/Relators reallege and incorporate by reference the allegations made in paragraphs 1 through 53 of this Complaint.

55. This is a claim for treble damages and forfeitures under the False Claims



Act, 31 U.S.C. §§3729-32.

56. By virtue of the acts described above, the Defendants Océ, N.V., Océ North America, Océ -USA Holding, Inc., and Océ Imagistics knowingly submitted, caused to be submitted and continue to submit and to cause to be submitted false or fraudulent claims for payment and reimbursement by the United States Government for products that were manufactured in non-designated countries in violation of the Trade Agreements Act and the terms and conditions of the GSA contracts and their express certification.

57. By virtue of the acts described above, the Defendants Océ, N.V., Océ North America, and Océ -USA Holding, Inc. knowingly submitted, caused to be submitted and continue to submit and to cause to be submitted false or fraudulent claims for payment and reimbursement by the United States Government for products when Defendants knowingly and intentionally did not offer the United States Government the best value or price, because Océ knowingly sold the same products to non-government customers under far more favorable terms and then completed and generated false paperwork to suggest that a trade-in had occurred to justify the more favorable pricing, when no trade-in had in fact occurred or, when even if it did occur, the trade-in did not have sufficient value to off-set the deal being offered to the non-government customer.

58. By virtue of the acts described above, the Defendants knowingly made, used or caused to be made or used, and continue to make or use or cause to be made or used, false statements to obtain Federal Government payment for false or fraudulent claims.

59. The United States Government has been severely damaged by the Defendants' violations as alleged above. The United States Government has been severely damaged because the Defendants have knowingly sold products to the United States Government from non-compliant countries. The United States Government has been severely damaged as the result of Defendants' failure to adhere to the price reduction clauses in the applicable GSA contracts. The United States Government has been severely damaged by the Defendant's violations of the False Claims Act.

60. As set forth in the preceding paragraphs, Defendants violated 31 U.S.C. §3729 and has thereby damaged and continues to damage the United States Government by its actions in an amount to be determined at trial.

## **COUNT II**

*(False Claims Act, 31 U.S.C. §3729 (a)(3))*

61. Plaintiffs/Relators reallege and incorporate by reference the allegations made in Paragraphs 1 through 60 of this Complaint.

62. This is a claim for treble damages and for forfeitures under the False Claims Act, 31 U.S.C. §§3729-32.

63. By virtue of the acts described above, the Defendants defrauded the United States by failing to adhere to the applicable GSA Contracts price reduction

clauses and receiving inflated payment for goods. By virtue of the acts described above, the Defendants defrauded the United States by failing to adhere to the applicable GSA Contracts and the Trade Agreements Act.

64. The United States, unaware of the falsity of the records, statements, omissions and/or claims made by Defendants, and in reliance on the accuracy thereof, paid for aforementioned false claims.

65. By reason of these actions and payments, the United States Government has been damaged and continues to be damaged in substantial amounts. The exact amounts of the damage is to be determined at trial.

### COUNT III

#### **(Violation of 31 USC Section 3730 (h) - Wrongful Discharge)**

66. Paragraphs 1 through 65 are hereinafter realleged and incorporated by reference.

67. 31 U.S.C. Section 3730(h) states in pertinent part:

Any employee who is discharged, demoted, suspended, threatened, harassed, or in any other manner discriminated against in the terms and conditions of employment by his or her employer because of the lawful acts done by the employee on behalf of the employee or others in furtherance of an action under this section, including investigation for, initiation of, testimony for, or assistance in an action filed, or to be filed under this section, shall be entitled to all relief necessary to make the employee whole.



68. To make a prima facie case for a retaliatory discharge under 3730(h) in most jurisdictions, the plaintiff/relator must show the following: (1) that she took acts in furtherance of a qui tam suit, i.e. engaged in protected activity, (2) that her employer knew of the acts, and (3) that her employer discharged her as a result of these acts.

69. Ms. Schweizer engaged in protected activity by repeatedly advising her supervisors that she believed that Océ had violated the law, the GSA Schedule and the Trade Agreements Act when Océ sold non-compliant products to the United States for prices far in excess of the prices Océ charged non-government customers.

70. Ms. Schweizer's supervisor, Mr. Frost, was aware of her concerns. She also communicated her concerns to several senior level officials. Indeed, she advised them that she was planning on filing a complaint under Sarbanes-Oxley in December, 2005 and shortly thereafter, Océ terminated her employment.

71. The timing of her discharge as well as the increased criticism of her work during the period that Ms. Schweizer repeatedly complained about Defendant Océ's conduct demonstrates that her discharge was motivated in part by illegal animus prohibited by 31 U.S.C. Section 3730(h).

72. As a result of this discharge, Ms. Schweizer has sustained a loss of wages, emotional distress, and embarrassment.

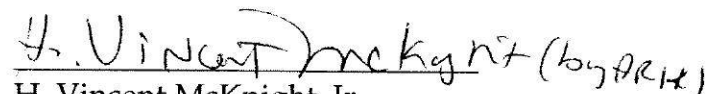
#### **PRAYER**

WHEREFORE, Plaintiffs/Relators pray for judgment against Defendants as follows:

1. That Defendants cease and desist from violating the Trade Agreements Act and the price reduction provisions of the applicable GSA Contracts;
2. That Defendants cease and desist from violating 31 U.S.C. §3729 et seq;
3. That this Court enter judgment against the Defendants in an amount equal to three times the amount of damages the United States Government has sustained because of Defendants' actions, plus a civil penalty of not less than \$5,000 and not more than \$11,000 for each violation of 31 U.S.C. §3729 et seq;
4. That Plaintiffs/Relators be awarded the maximum amount allowed pursuant to §3730(d) of the False Claims Act;
5. That Plaintiff/Realtor Schweitzer be awarded the maximum amount allowed pursuant to § 3730(h);
6. That Plaintiffs/Relators be awarded all costs and expenses of this action, including attorneys' fees;
7. That Plaintiffs/ Relators recover such other relief as the Court deems just and proper.

Respectfully submitted,

ASHCRAFT & GEREL

  
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**Counsel for Plaintiffs/Relators**

Plaintiffs/Relators hereby demands trial by jury.

H. Vincent McKnight (by ANK)

H. Vincent McKnight, Jr.

**CERTIFICATE OF SERVICE**

I HEREBY CERTIFY that a copy of the foregoing Complaint was mail via Certified Mail, this 21st day of December, 2006, to:

Laurie Weinstein, Esquire  
United States Attorney  
555 4<sup>th</sup> Street, N.W.  
Washington, D.C. 20001

Alberto Gonzales, Esquire  
Attorney General of the United States  
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