UPS Settles Additional Fraud Claims Agrees to Pay $4.2 million to 14 states and 3 cities, including California, New York, Illinois, D.C., NYC, and Chicago

Shipper United Parcel Service Falsified Records to Cover Up Late Deliveries

Washington, D.C. (October 7, 2015) – Wu, Grohovsky & Whipple, PLLC (“WGW”), a boutique law firm regularly representing Qui Tam whistleblowers in large federal and state False Claims Act cases, today announces that international shipper United Parcel Service (“UPS”) has agreed to pay in excess of $4.2 million dollars to 14 states, the District of Columbia, New York City and Chicago to resolve allegations that it routinely falsified delivery records regarding state and city government packages for years. Earlier this year, UPS settled similar allegations with the federal government for $25 million and the state of New Jersey for $740,000.

The case was brought by former UPS employee and WGW client, Robert Fulk, under the federal false claims act and the false claims acts of nineteen states, the District of Columbia, N.Y.C. and Chicago. This second settlement follows months of negotiations between a coalition of the states and cities led by New York Assistant Attorney General Adam Pollock, lawyers from WGW and UPS.

In the settlement approved today, UPS will pay the states and cities as follows:

- California: $631,256.74
- Chicago: $28,970.97
- Delaware: $31,248.25
- District of Columbia: $459.77
- Florida: $376,143.74
- Hawaii: $34,727.03
- Illinois: $779,415.07
- Indiana: $94,407.30
- Massachusetts: $216,947.28
- Minnesota: $53,015.79
- Montana: $27,763.66
- New Mexico: $124,454.75
- New York and NYC: $1,467,920.38
- North Carolina: $49,723.81
- Tennessee: $36,751.21
- Virginia: $241,056.34

Close to 83% of that money will be returned to state and city taxpayers.

“This settlement is a result of the successful public/private partnership anticipated by the federal and state false claims acts in identifying and stopping fraud,” said Julie Grohovsky, a partner at WGW.

“Because of the efforts of our client, Mr. Fulk, millions of dollars in wrongfully obtained tax payer money will be returned to the federal, state and local government,” Shanlon Wu of WGW added.

The Qui Tam case brought by Mr. Fulk and WGW alleged that UPS fraudulently obtained payment for delivery services not actually performed through a variety of actions, including entering false delivery times into its tracking system to make it appear that packages were delivered on time to government customers, when they were not. UPS also misrepresented to its government customers that fake or erroneous reasons caused delays in service, including false reports that government customers had requested later deliveries when they had not. These fraudulent actions allowed UPS to avoid paying millions of dollars in service refunds for late deliveries to federal and state governments.

Jonathan provides aggressive representation for clients accused of misdemeanors and felonies, as well as students facing disciplinary proceedings on college and university campuses. Jonathan is also active in WGW’s representation of whistleblowers under the qui tam provisions of the False Claims Act and similar federal and state statutes, as well as WGW’s corporate and transactional practices. Prior to joining WGW, Jonathan interned for the Queen Anne’s County Office of the State’s Attorney and the Providence Solicitor’s Office.
About Wu, Grohovsky & Whipple, PLLC
WGW is an established national firm based in Washington, D.C. WGW is comprised of former federal prosecutors and fortune 500 corporate lawyers. The firm’s practice includes qui tam, criminal defense, corporate transactions, and college student defense.
Visit http://www.dcwithecollar.com/

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