Simmer Law Group Announces $16 Million Settlement with Virginia Defense Contractor ADS for Alleged FCA Violations

WASHINGTON, Aug. 10, 2017 /PRNewswire/ -- The Simmer Law Group PLLC announced today that a federal lawsuit it filed on behalf of its client against Virginia Beach-based defense contractor Atlantic Diving Supply (ADS) has settled for $16 million. The U.S. Department of Justice (DOJ) announced today that it has reached a settlement with ADS to resolve allegations that the company violated the federal False Claims Act (FCA) by illegally obtaining government contracts set aside for small businesses and businesses owned by minorities, women, veterans and service-disabled
One of the largest small business contracting fraud matters settled to date, the case also included allegations of improper bid rigging. According to DOJ, the parties settled the matter without any finding or admission of wrongdoing or liability. ADS supplies equipment and logistics solutions to the Departments of Defense and Homeland Security.

In the Small Business Act, Congress created a government-wide goal for contracting with small businesses, currently 23 percent of all federal procurements. Most federal agencies involved in procurements create opportunities called "set-asides" to meet this goal. These allow small businesses to compete against like-sized contractors for opportunities they might not have when competing against larger companies. Some small businesses qualify for additional programs because of their special ownership or geographic location.

The Small Business Administration (SBA) defines what constitutes a "small business" within a particular industry. To ensure that large companies do not start new businesses for the sole purpose of getting set-aside contracts, the SBA considers not only the number of employees or revenues of the contracting company, but also of any affiliated companies with common ownership, investment, management and identical business interests.

"Contractors who misrepresent their eligibility for government contracts not only undermine the integrity of the procurement process, but also harm legitimate small businesses vying for set-aside contracts," said Andrew Miller of the Simmer Law Group, whose firm represented the whistleblowers. "Our clients feel vindicated for having come forward and appreciate the collective efforts of the Department of Justice and the affected federal agencies for their diligence and dedication."

**About Simmer Law Group PLLC**

Based in Washington, DC, the Simmer Law Group PLLC represents
whistleblowers nationwide who have filed cases alleging fraud that financially impacted state and federal governments in the areas of health care, for-profit education and government contracting; as well as insurance plans in large scale recovery actions.

SOURCE Simmer Law Group PLLC