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**I. ABSTRACT**

In January 1981, Wesley C. Schneider applied for and was later granted patents for a specialized drinking system and canteen water refilling system that can be used to protect the lives of soldiers during chemical and biological attacks. Copies of these patents appear at [FBI Exhibit No. \[1\]](#) Over the period January 1981 to the present time, the U.S. Government has engaged in a purposeful scheme to defraud Mr. Schneider and the Wesleyan Company of their technology.

**II. EXECUTIVE SUMMARY**

From 1981 through the current time, it is alleged that the U.S. Army has engaged in a purposeful and intentional scheme to defraud a small business called Wesleyan Company of their technology. The Wesleyan-owned and patented technology is used to assure the safety of U.S. Army soldiers engaged in nuclear, chemical and biological (NBC) warfare. By so doing, it is alleged that senior grade U.S. Army general officers did knowingly, willfully, intentionally and unnecessarily leave the lives of U.S. combat troops at war in jeopardy.

Over the period 1981 to 1983, Wesleyan Company invented and patented their soldier hydration system for protecting soldiers in hostile NBC environments. In 1983, Wesleyan Company submitted an unsolicited proposal to the U.S. Army containing a description of their patented technology. In 1984, the U.S. Army began a program of extensive testing of the Wesleyan-owned patented technology.

In 1985, it is alleged the U.S. Army violated a large and long-standing body of Federal procurement and procurement integrity law and regulation to intentionally misappropriate the Wesleyan-owned patented technology. It is further alleged that in 1985, the U.S. Army let unlawful contracts to a group of "preferred" contractors to duplicate the Wesleyan-owned and patented technology. During a major briefing the Wesleyan Company advised that the lives of U.S. soldiers were being unnecessarily left at risk by the actions of the U.S. Army by delaying the manufacture and field deployment of operable hydration technology. After the briefing the senior grade U.S. Army military officer expressed his extreme displeasure at these allegations. Also in 1985, Wesleyan company discovered that the U.S. Army was unlawfully engaged in "reverse engineering" their technology to duplicate it "in-house" for subsequent manufacture by a group of "preferred" U.S. Army contractors. The failure of the U.S. Army to initiate a sole source procurement for the speediest possible manufacture and deployment of the Wesleyan technology in favor of rewarding a group of "preferred" U.S. Army contractors unnecessarily left the lives of American combat soldiers in jeopardy.

In 1987, Wesleyan Company made the Assistant Secretary for the U.S. Army personally aware of the situation. The Assistant Secretary of the U.S. Army assured Wesleyan Company principals that "fair contracting practices will be followed." Nonetheless, in 1987, the U.S. Army Natick Laboratories began a program to illicitly develop "in-house" the Wesleyan-owned technology.

In 2001, Wesleyan Company attempted to plead their case before the Armed Services Board of Contract Appeals (ASBCA). Their request for redress was denied. Wesleyan Company alleges that the ASBCA review of their case was tainted by an inherent direct and actual conflict of interest and judicial and attorney misconduct.

From 2001 to the present time, the U.S. Army and the U.S. Marine Corps are the primary users of the Wesleyan hydration system technology that has now been fully integrated with Camelbak products. It is conservatively estimated that Wesleyan Company has lost \$57,000,000 dollars in royalties to U.S. Army “preferred” contractor Camelbak.

### III. TIMELINE OF EVENTS

In July 1981, Wesley C. Schneider invented “Spraybelt”, a novel recreational on-the-move hydration system. It was the world’s first, the original on-the-move fluid delivery system that spawned an entire product genre with a multitude of variations and applications for use world-wide. In September 1981, Mr. Schneider founded Wesleyan Company. In November 1982, he adopted his recreational technology for military application and then sent to the US Army a seminal work in the history of hydration practices as an unsolicited proposal entitled: *“Fluid Intake Suction Tubing (FIST) Hydration System and (FLEX) Canteen for Personnel at Mission Oriented Protective Posture (MOPP) for use in Nuclear Biological Chemical Environments”*. A copy of the unsolicited proposal can be found at [FBI Exhibit No. \[2\]](#)

In January 1983, Mr. Schneider was granted a patent (U.S. Patent No. 4505310) from the US. Patent and Trademarks Office (USPTO) for a specialized drinking system that can be used to protect the lives of soldiers during chemical and biological attacks. The military system was called the Fist Flex on-the Move (FFOTM) Hydration System which used a novel single hose drink method and component configuration including fluid flow valves. A “dual hose” alternative for drinking liquids in hostile environments was also revealed in Wesleyan’s scientific research contained within its unsolicited proposal appearing at [FBI Exhibit No. \[3\]](#)

In March 1983, the U.S. Army rejected the unsolicited proposal from Wesleyan Company suggesting the use of their new hydration system to protect soldiers from chemical and biological attacks. In April 1983, after rejecting the Wesleyan Company proposal, the U.S Army continued their own internal development of the Wesleyan hydration system including the “dual hose” method for supplying drinking liquids to soldiers. See [FBI Exhibit No. \[4\]](#) Several months later, in December 1983, the U.S. Army approached Wesleyan Company to procure prototypes of the company’s hydration system for human factors evaluation. See [FBI Exhibit No. \[5\]](#)

In May 1984, the U.S. Army human factors evaluation concluded that Mr. Schneider’s invention was “worthwhile” to pursue for use in nuclear, biological and chemical (NBC) environments. See [FBI Exhibit No. \[6\]](#) In August 1984, Wesleyan modified versions of its original NBC mask drink technologies to work with combat vehicle crew modified helmets to allow soldier’s operating in tanks to drink water “on-the-move” using the Wesleyan drinking device during operational tank tests. See [FBI Exhibit No. \[7\]](#) These tests proved successful prompting Congress to fund the Wesleyan hydration system technology for type classification testing and procurement the following year. See [FBI Exhibit No. \[8\]](#) The U.S. Army accepted and took delivery of Wesleyan’s hydration system on August 30, 1984 under a U.S. Army contract. A copy of the U.S. Army contract appears at [FBI Exhibit No. \[9\]](#) This date marks the beginning of the non-NBC hydration system, a.k.a., on-the-move hydration system purchased, delivered, and successfully tested in the U.S. Army and the forerunner of all subsequent

U.S. Army duplicate hydration systems that misappropriate the Wesleyan technology including what is now commonly referred to as the Camelbak hydration system. See [FBI Exhibit No. \[10\]](#)

In September 1984, a U.S. Army Infantry School evaluation concluded that the Wesleyan hydration system could benefit motorized units and aircrew; but states that there is limited use for infantry applications. In January 1985, Dr. Roger Hubbard of the U.S. Army Research Institute of Environmental Medicine (USARIEM), advocated for the use of the Wesleyan hydration system for all U.S. Army troops as a new life-saving technology to prevent “voluntary dehydration” by soldiers in nuclear, biological and chemical (NBC) environments. A copy of Dr. Hubbard’s endorsement of the Wesleyan hydration system for all U.S. Army troops appears at [FBI Exhibit No. \[11\]](#)

In February 1985, the U.S. Army initiated a “pass through” contract to their “preferred” Battelle Memorial Institute contractor to conduct a study on how to improve the Army’s existing mask drinking capabilities for soldiers. The report by Battelle Memorial Institute recommended design changes based on Wesleyan hydration system technology. A copy of the report by Battelle Memorial Institute appears at [FBI Exhibit No. \[12\]](#)

In March 1985, the U.S. Army Chemical School advised that it rejected the Wesleyan hydration system technology determining that it could not identify a deficiency in its Mission Area Analysis (MAA) of existing soldier hydration systems and therefore concluded that “it was a luxury and not needed.” See [FBI Exhibit No. \[13\]](#)

In May 1985, the U.S. Army then tasked another “preferred” contractor, ILC Dover, to begin prototyping design changes to the Army’s existing mask using Wesleyan’s hydration system technology based on the recommendations contained in the report written by Battelle Memorial Institute. See [FBI Exhibit No. \[14\]](#) Design changes included the “dual hose” method for supplying drinking liquids to soldiers originally invented and presented to the U.S. Army in Mr. Schneider’s unsolicited proposal submitted in March 1983. See [FBI Exhibit No. \[15\]](#) In June 1985, the U.S. Army approached Wesleyan Company to procure additional prototypes of their hydration systems with advanced shut off valves. See [FBI Exhibit No. \[16\]](#)

In July 1985, Dr. Roger Hubbard (see Dr. Hubbard’s abbreviated timeline at [FBI Exhibit No. \[17\]](#)) of the U.S. Army Research Institute of Environmental Medicine (USARIEM) sponsored Mr. Schneider to brief Major General Honor on the Wesleyan hydration system technology. Major General Honor was Deputy Chief Staff Logistics. During the briefing, Mr. Schneider expressed concern that the U.S. Army was intentionally risking the lives of soldiers by not taking actions to assure that soldiers were being provided with adequate hydration systems to protect them in hostile NBC environments. A complete description of the briefing to Major General Honor appears at [FBI Exhibit No. \[18\]](#)

In August 1985, the U.S. Army tested the Wesleyan hydration system at the U.S. Army Armor School at Fort Knox. The tests proved highly successful providing physiological and psychological benefits to soldiers. The results of these tests appear at [FBI Exhibit No. \[19\]](#) In November 1985, the U.S. Army Chemical School wrote a “Statement of Need Clothing Individual Equipment (SN-CIE)” or draft requirements document soliciting inputs from U.S. Army commands on the time and cost to provide a

pump drink hydration device for soldiers. Wesleyan alleges that the requirements document was altered by the U.S. Army before final approval by omitting any reference to the Wesleyan hydration system technology. See [FBI Exhibit No. \[20\]](#)

In December 1985, Wesleyan Company discovered that the U.S. Army was “reverse engineering” their hydration system technology during a visit to the U.S. Army Natick Laboratories. During the visit, Mr. Schneider saw a disassembled Wesleyan hydration system prototype. Wesleyan Company immediately alerted the U.S. Army that they were engaged in the unauthorized “reverse engineering” the company’s hydration system technology. See [FBI Exhibit No. \[21\]](#)

In January 1986, Dr. Hubbard of the U.S. Army Research Institute of Environmental Medicine (USARIEM) again advocated for the testing of the Wesleyan hydration system against the performance of the U.S. Army’s already fielded mask drink method to determine empirically if it would alleviate life threatening “voluntary dehydration.” See Dr. Hubbard’s abbreviated timeline appearing at [FBI Exhibit No. \[22\]](#). In September 1986, USARIEM tests empirically proved that the Wesleyan hydration system technology maintained normal water intake while the Army already fielded drink mask method produced a 43% water deficit *vis. a vis.* normal intake. USARIEM urged more testing of the Wesleyan hydration system technology. See [FBI Exhibit No. \[23\]](#)

In January 1987, Wesleyan Company contacted Senator Alan J. Dixon to report that U.S. Army contractor, ILC Dover, was delivering “dual hose” prototypes to the U.S. Army as part of a “design around” scheme to misappropriate Wesleyan-owned hydrations system technology. See [FBI Exhibit No. \[24\]](#) In February 1987, U.S. Army Assistant Secretary, J.R. Sculley, responded to Senator Dixon stating: “Wesleyan and other interested/qualified firms will be evaluated against the requirement.” On February 20, 1987, Wesleyan Company met with the U.S. Army. The U.S. Army assured Wesleyan Company that they would follow “fair contracting” processes in the matter of Wesleyan Company. Copies of these and associated documents appear at [FBI Exhibit No. \[25\]](#)

In June 1987, the U.S. Army Natick Laboratories advocated the “in-house” development of the Wesleyan hydration system technology including a “crude dual hose prototype.” See [FBI Exhibit No. \[26\]](#) Wesleyan Company was advised by another U.S. Army contractor that, “The Army is going to knock off your technology.” See [FBI Exhibit No. 27.pdf](#) “Knock-off” is a term used when misappropriated technology is reverse engineered to illicitly produce products that achieve the same or similar purposes in violation of patents.

In October 1987, the U.S. Army determined that the Wesleyan hydration system technology was “progressing”. See [FBI Exhibit No. \[28\]](#) Nine months later, in June 1988, defense contractor, Mine Safety Appliances, paid Wesleyan Company \$200,000 to license the Wesleyan hydration system technology for domestic patent manufacturing rights for military orders. A copy of the letter confirming the license appears at [FBI Exhibit No. \[29\]](#) Wesleyan Company alleges that no orders materialized for their soldier hydration technology because it was already being illicitly duplicated “in-house” by a group of “preferred” U.S. Army contractors. See [FBI Exhibit No. \[30\]](#) In March 1989, the U.S. Army Natick Laboratories commenced their own full-fledged “research, development, testing and evaluation (RDT&E)” program based on the Wesleyan Company’s hydration system technology. See [FBI Exhibit No. \[31\]](#)

Over the period 1990 to 1992, the U.S. Army failed the Wesleyan hydration system technology they were clandestinely developing “in-house” during field tests as they abandoned any relationship with Wesleyan Company. See [FBI Exhibit No. \[32\]](#) Over the period 1992 to 1994, the U.S. Army redirected their “in-house” research, development, testing and evaluation (RDT&E) “knock-off” effort to upgrade the products of their “preferred” Camelbak contractor using the Wesleyan owned hydration system technology for mass production. See [FBI Exhibit No. \[33\]](#)

In 2001, Wesleyan Company pled their case before the Armed Services Board of Contract Appeals (ASBCA). Their request for redress was denied. Wesleyan Company alleges that the ASBCA review of their case was tainted by an inherent conflict of interest and judicial and attorney misconduct by counsel representing the U.S. Army in the matter. A complete description of these allegations and supporting documentation appears at [FBI Exhibit No. \[34\]](#)

From 2001 to the present time, the U.S. Army and the U.S. Marine Corps are the primary users of the Wesleyan hydration system technology that has now been fully integrated with Camelbak products. It is conservatively estimated that Wesleyan Company has lost \$57,000,000 dollars in royalties to U.S. Army “preferred” contractor Camelbak. See [FBI Exhibit No. \[35\]](#)

A summary timeline of events for the Wesleyan matter can be found [FBI Exhibit No. \[36\]](#)

#### THE U.S. ARMY’S PURPOSEFUL SCHEME TO DEFRAUD WESLEYAN COMPANY CONSISTS OF FIVE STEPS

**Step 1: The U.S. Army identified the Wesleyan hydration system technology as a matter of interest to the mission of the U.S. military**

U.S. Army interest in chemical warfare dates back to the American Civil War. During the civil war the use of chlorine shells to drive the Confederate Army from its positions was first proposed. Another proposal involved the use of hydrogen chloride gas to drive enemy soldiers from their positions. The United States Army Chemical Corps (UACC) was the result of changing of military technology during World War I. The United States War Department's first interest in providing individual soldiers with personal protection against chemical warfare came in 1915 when they tasked the Medical Department with developing protective technology. In 1917, when the U.S. became involved in World War I, the first gas masks and training for offensive gas warfare for U.S. Army soldiers began. During World War I, the use of chemical weapons by both the Allied and Central Powers was commonplace along the Western, Eastern and Italian Fronts.

The U.S. Chemical Warfare Service (CWS) deployed and prepared gas weapons for use throughout the world during World War II. However, these weapons were never used in combat. Despite the lack of chemical warfare during the World War II, the CWS saw its funding and personnel increase substantially due to concerns that the Germans and Japanese had a formidable chemical weapons capability. By 1942, the CWS employed 60,000 soldiers and civilians and was appropriated \$1 billion. The CWS completed a variety of non-chemical warfare related tasks and missions during the war including producing incendiaries for flame throwers, flame tanks and other weapons. Chemical soldiers were also involved in smoke generation missions. Chemical mortar battalions used the 4.2 inch chemical mortar to support armour and infantry units.

In 1996, a U.S. General Accounting Office report concluded that U.S. troops remained highly vulnerable to attack from both chemical and biological agents. The report blamed the U.S.

Department of Defense for failure to address shortcomings identified five years earlier during combat in the Persian Gulf War. These shortcomings included inadequate training, a lack of decontamination kits and other equipment, and vaccine shortages. See [FBI Exhibit No. \[37\]](#)

As of 2014, U.S. Army Field Manual 3-4 is the primary doctrinal reference on nuclear, biological, and chemical (NBC) protection and individual, collective, and force protection against NBC hazards.

According to FM 3-4:

“NBC weapons are among the most hazardous on the battlefield. The doctrine of many potential enemies calls for their wartime employment of NBC weapons. In order to deter an enemy from exercising this option, US forces must be continuously prepared to fight and win under NBC conditions. To fight and win under NBC conditions requires an application of the three fundamentals of NBC defense-contamination avoidance, protection, and decontamination, at all levels of command, coupled with an effective retaliatory response.”

A copy of U.S. Army Field Manual 3-4 appears as [FBI Exhibit No. \[38\]](#)

Thus, over the entire period from January 1981 to the current time the U.S. Army was under significant pressure to hasten the development of the Wesleyan Company hydration system technology as part of a comprehensive effort to protect soldiers from nuclear, biological and chemical (NBC) threats on the battlefield. The U.S. Army interest in the Wesleyan hydration system technology was first expressed when it misappropriated the design information contained in the March 1983 Wesleyan Company unsolicited proposal and began clandestine U.S. Army efforts to integrate the misappropriated Wesleyan hydration system technology with the U.S. Army’s already fielded drinking mask system. See [FBI Exhibit No. \[39\]](#)

Step 2: The U.S. Army then circumvented a large and long-standing body of Federal procurement law in order to duplicate, for U.S. Government purposes, the same and or similar technology originally developed by Wesleyan Company.

The Competition in Contracting Act (CICA) of 1984 (41 U.S.C. 253), generally governs competition in federal procurement contracting. Any procurement contract not entered into through the use of procurement procedures expressly authorized by a particular statute is subject to CICA. CICA requires that contracts be entered into after “full and open competition through the use of competitive procedures” unless certain circumstances exist that would permit agencies to use noncompetitive procedures. Any contract entered into without full and open competition is noncompetitive, but noncompetitive contracts can still be in compliance with CICA when circumstances permitting other than full and open competition to exist. CICA recognizes seven such circumstances, including: (1) single source for goods or services; (2) unusual and compelling urgency; (3) maintenance of the industrial base; (4) requirements of international agreements; (5) statutory authorization or acquisition of brand-name items for resale; (6) national security; and (7) contracts necessary in the public interest. To exercise any such an exemption requires a rigorous and documented approval process before a Federal contract can be let. The U.S. Government sought no such exemption in the case of Wesleyan Company.

The Federal Acquisition Streamlining Act (FASA) of 1994 establishes a “preference” for the procurement of commercial items, which are generally not subject to full and open competition under CICA. FASA was followed by the Federal Acquisition Reform Act (FARA) of 1996, which placed increasing emphasis on efficiency in agency operations by requiring that the Federal Acquisition Regulation (FAR) be amended to “ensure that the requirement to obtain full and open competition is implemented in a manner that is consistent with the need to efficiently fulfill the Government’s requirements.” Wesleyan Company alleges that open and fair competition for the hydration system desired by the U.S. Army would not have negatively impacted the efficiency of U.S. Army operations. Wesleyan Company also contends that the pursuit of a sole source contract for the U.S. Army to obtain their hydration system technology could have been accomplished quickly and efficiently. Thus, the non-competitive “pass through” contracts from the U.S. Army to Battelle Memorial Institute, ILC Dover, Camelbak and other companies were not necessary to efficiently fulfill the Government’s requirements for the hydration system technology they required. Wesleyan Company further contends that these illicit U.S. Army contracting activities were part of a calculated scheme to “design around” the Wesleyan-owned hydration system technology in order to duplicate the product “in-house.”

The Federal Activities Inventory Reform Act (FAIR), P.L. 105-270, and implementing Office of Management and Budget Circular A-76, define a governmental function as “inherently governmental” when it is so intimately related to the public interest as to mandate performance only by Federal employees. The Wesleyan Company hydration system technology does not fall within this definition of an inherently governmental function. Nor do nuclear, biological or chemical protective gear, equipment or systems appear on the U.S. Army’s list of inherently governmental functions. As such, Wesleyan Company’s hydration system technology constitutes “commercial goods and services,” that must be openly procured from the private sector by the Department of Defense and the U.S. Army. Federal procurement law requires open and fair competition for the procurement of commercial goods and services.

According to the Federal and Defense Federal Acquisition Regulations Supplement (FARS-DFARS) the U.S. Army is required to develop detailed contracting plans whenever the U.S. Army contracts with outside entities to do work on behalf of the U.S. Government. See [FBI Exhibit No. \[40\]](#) These contracting rules must include specific process steps that the U.S. Army implements to assure that the letting of contracts is conducted in an open and fair manner. These requirements were not followed when the U.S. Army initiated “by-pass” contracts to ILC Dover and Camelbak to integrate the Wesleyan-owned hydration system technology into the U.S. Army’s fielded drinking mask system when the U.S. Army was fully aware that the technology was misappropriated from Wesleyan Company’s March 1983 unsolicited proposal. See [FBI Exhibit No. \[41\]](#)

Thus, the U.S. Army purposefully bypassed fair and open competition by initiating “pass through” contracts to their “preferred” ILC Dover and Camelbak contractors to duplicate the Wesleyan-owned hydration system technology. The U.S. Army did not assure that the awarding of a subcontract for U.S. Government work to ILC Dover and Camelbak did not result in direct and unlawful competition with Wesleyan Company. See [FBI Exhibit No. \[42\]](#) Open and fair competition by the U.S. Army would have revealed that the U.S. Army mission requirement could have only been satisfied by Wesleyan Company’s patented technology. This would have resulted in the U.S. Government requirement to issue a sole source award to develop the Wesleyan-owned hydration system technology.

The awarding of a sole source contract to Wesleyan Company, however, would have resulted in a license fee and would not have provided the Department of Defense and the U.S. Army with Federal “march-in” rights. March-in rights refer to the ability of the U.S. Government to use for government purposes the inventions and patented ideas of others whenever the U.S. Government has financially supported the development or commercialization of the technology. In the case of Wesleyan Company, no U.S. Government funding was used to develop or commercialize the intellectual property. Therefore, the U.S. Army was precluded from simply exercising march-in rights to use Wesleyan Company’s hydration system technology.

The U.S. Army also disregarded specific provisions of the Federal Acquisition Regulations (FARS) and the Defense Federal Acquisition Regulations Supplement (DFARS) to implement their unlawful scheme to defraud the Wesleyan Company of their technology. A detailed description of alleged violations of the FARS and DFARS in the matter of Wesleyan company appears at [FBI Exhibit No. \[43\]](#)

Step 3: The U.S. Army then turned to a group of “preferred” U.S. Army contracted agents to internally duplicate the hydration system technology originally developed by Wesleyan Company.

The U.S. Army “preferred” contractors most directly involved in the misappropriation of the Wesleyan-owned hydration system technology are Battelle Memorial Institute, ILC Dover, Camelbak, Lighthouse for the Blind and General Dynamics. See [FBI Exhibit No. \[44\]](#)

Battelle Memorial Institute was serving as the U.S. Army’s prime contractor at Natick Laboratories in March 1983 at the time the Wesleyan Company unsolicited proposal for their hydration system technology was submitted to the U.S. Army. Under their contract to the U.S. Army, prime contractor Battelle Memorial Institute provided technical and design services to the U.S. Army’s programs for nuclear, biological and chemical (NBC) protection for soldiers. See [FBI Exhibit No. \[45\]](#)

In April 1983, after rejecting the Wesleyan Company unsolicited proposal, the U.S Army turned to Battelle Memorial Institute to continue the internal clandestine development of the misappropriated Wesleyan-owned hydration system technology including the “dual hose” method for supplying drinking liquids to soldiers. See [FBI Exhibit No. \[46\]](#) Several months later, in December 1983, the U.S. Army approached Wesleyan Company to procure several of their hydration system prototypes for evaluation. See [FBI Exhibit No. \[47\]](#) Fourteen months later, in February 1985, the U.S. Army initiated a “pass through” contract to Battelle Memorial Institute to conduct a study on how to improve the Army’s already fielded mask drinking capabilities. See [FBI Exhibit No. \[48\]](#) The report by Battelle Memorial Institute recommends design changes that misappropriated the Wesleyan-owned hydration system technology. See [FBI Exhibit No. \[49\]](#)

In February 1987 Wesleyan Company met at the Pentagon with Army Undersecretary for Research Development Acquisition, J.R. Sculley, to report the Army’s failure to safeguard Wesleyan’s proprietary technologies. Secretary Sculley assured Wesleyan Company that the U.S. Army would engage only in fair contracting practices. See [FBI Exhibit No. \[50\]](#) Wesleyan company reports that news of the meeting enraged U.S. Army personnel at Natick and other U.S. Army Laboratories. See [FBI Exhibit No. \[51\]](#) Two months later, in April 1987, Congress authorized \$600,000 (adding an additional \$1 million in 1990) to test and field the Wesleyan-owned hydration system as a non-development item (NDI) procurement but U.S. Army personnel rewrote the new drink system

requirement document permitting its engineers at Natick Laboratories to begin a competitive full drink system development program to compete directly with Wesleyan Company while simultaneously misappropriating the Wesleyan-owned hydration system technology while simultaneously serving as Wesleyan Company's "independent evaluator". See [FBI Exhibit No. \[52\]](#)

With appropriated funds now in place, a Natick Laboratories program official assembled an "in-house" Test Evaluation Strategy Meeting (TESM) to set forth the strategy for mass producing the Wesleyan hydration system technology that the U.S. Army had misappropriated. This same official served as Wesleyan's contracting officer with cognizance over its unsolicited proposals, intellectual property, trade secrets, physical prototypes, materiel sources, pricing/manufacturing know how, and confidential progress reports. See [FBI Exhibit No. \[53\]](#)

In June 1987, the U.S. Army's Natick Laboratories assembled a version of a crude dual hose drink design prototype by misappropriating Wesleyan Company's hydration system technology. This U.S. Army "knock off" of the Wesleyan-owned hydration system would serve as the Natick Laboratories "straw man" for justifying fully funding, staffing, and launching its own "in-house" development and mass production capability for duplicating the Wesleyan-owned hydration system technology. Natick Laboratories followed Edgewood Laboratories as the second U.S. Army Laboratory to misappropriate Wesleyan's dual hose research concept from its unsolicited proposal. See [FBI Exhibit No. \[54\]](#) The same Natick program official who served as Wesleyan's contracting officer with cognizance over its unsolicited proposals, intellectual property, trade secrets, physical prototypes, materiel sources, pricing/manufacturing know how, and confidential progress reports) then "handed off" the proprietary technical learning derived from testing Wesleyan's hydration system technology to another U.S. Army program management official for development and mass production by another U.S. Army "preferred" contractor. See [FBI Exhibit No. \[55\]](#)

In September 1989, a U.S. Army Natick Laboratories attorney assisted a Laboratory employee to obtain a US patent titled: "Dual Valve Liquid Transfer Tube" aka "dual hose" assigning the patent to the Secretary of the Army. See [FBI Exhibit No. \[56\]](#) The U.S. Army patent references Wesleyan Company's already patented hydration system technology as the U.S. Army's only domestic prior art. The U.S. Army patent filing fails to note that the patent submission was actually based on proprietary intellectual property that was originally misappropriated from Wesleyan's unsolicited proposal research. See [FBI Exhibit No. \[57\]](#) But, over time the U.S. Army learned why Wesleyan Company had moved in the direction of developing a single hose design to build their hydration system; a dual hose would not work. Later, the U.S. Army stopped work on duplicating the Wesleyan dual hose option to return to replicating Wesleyan's single hose design. See [FBI Exhibit No. \[58\]](#)

During this same time period, in October 1990, Natick Laboratories received an additional \$1,000,000 to fund their program to duplicate the Wesleyan-owned hydration system. The U.S. Army funding request was based upon reports of Wesleyan Company's progress toward type classification rather than the U.S. Army's own clandestine efforts to illicitly develop "in-house" the Wesleyan-owned hydration system technology. With the second tranche of money secured for Natick Laboratories to apply to its own "in-house" efforts (\$1,447,000 of \$1,600,000 total) Wesleyan's hydration system acquisition was no longer necessary. The acquisition priority for the Wesleyan-owned hydration

system technology was quickly downgraded to an “interim solution” for use with only the Army’s fielded two quart plastic collapsible canteens. But, upon review of a battery of required chemical agent test results conducted on the Wesleyan hydration system for use with the U.S. Army’s two quart canteens, the Army unexpectedly learned that while the Wesleyan-owned hydration system technology could operate efficiently in an NBC contaminated area, the U.S. Army already fielded two quart canteen could not. According to reports by Dr. Roger Hubbard of the U.S. Army Research Institute of Environmental Medicine (USARIEM), nearly 500,000 two quart soft sided canteens were already fielded placing the lives of thousands of U.S. soldiers at risk in the event of a nuclear, chemical or biological attack on the battlefield. See [FBI Exhibit No. \[59\]](#) The knowledge that the lives of U.S. Army soldiers were at risk remained a closely held secret within the Department of Defense and the U.S. Army because of Desert Shield/Desert Storm, the 1<sup>st</sup> Iraq build up and the ongoing Gulf war. See [FBI Exhibit No. \[60\]](#) Wesleyan Company principals learned of it via a Freedom of Information Act request several years later.

By 1991, U.S. Army plans for developing and mass producing the Wesleyan-owned hydration system technology called for a full scale U.S. Army research, development, testing and evaluation (RDT&E) program supported by Congressional funding that was intended for sole-source contract work with Wesleyan Company because they were the sole owners of their hydration system technology. The full scale Army effort, however, while it included the clandestine use of Wesleyan-owned research and patented ideas as its database platform did not call for any sole source contract with the Wesleyan Company. Based on this fraudulent scheme, the U.S. Army ensured that Wesleyan’s hydration systems “failed” in operational field tests as their method to justify further Congressional funding of the U.S. Army clandestine “in-house” effort to duplicate the Wesleyan-owned hydration system technology. Shortly thereafter, in June 1992, the U.S. Army abandoned its relationship with Wesleyan Company falsely claiming operational deficiencies in the Wesleyan owned hydration system during field testing. See [FBI Exhibit No. \[61\]](#)

In April 1993, with Wesleyan circumvented by U.S. Army violations of procurement and procurement integrity law, the contracting officer at Natick Laboratories expanded the “in-house” development program to duplicate the Wesleyan-owned hydration system technology. The purpose of the new and expanded U.S. Army program effort was to misappropriate Wesleyan’s intellectual database, developed over a decade of testing, by advertising to outside contractors. It also permitted Natick Laboratories to siphon off Wesleyan’s know-how to fund yet another “in-house” “knock off” design. For example, a memorandum authored by the U.S. Army Natick Laboratories program manager dated April 1, 1993, states,

“Previous experience and lessons learned from the Mask Drinking System-Interim (FFOTMHS) will be instrumental in structuring and administering the DRINCS program.”

To fund the new and expanded program to duplicate the Wesleyan-owned hydration system technology, the Natick Laboratories program manager applied unspent money originally appropriated from Congress for the procurement of Wesleyan’s hydration system technology. See [FBI Exhibit No.](#)

[\[62\]](#) for a further explanation of the U.S. Army's program to duplicate the Wesleyan-owned hydration system technology and supporting documentation.

Bypassing Wesleyan Company and Federal procurement and procurement integrity law again, the U.S. Army then reached out to their "preferred" Camelbak defense contractor to manufacture a version of the Wesleyan-owned hydration system technology as part of the "new soldier hydration system" being built "in-house" by the U.S. Army. The scope of the effort included the fielding of an improved drinking system for all canteen types in all battlefield situations with a nuclear, biological, chemical (NBC) mask interface that permitted system refilling capabilities from five gallon water cans in contaminated areas using Wesleyan-owned hydration system technology. The genesis of the new expanded U.S. Army effort also found its novelty in Wesleyan Company's second U.S. patent number 4712594, which was also revealed earlier in an unsolicited Wesleyan Company proposal to the U.S. Army titled: "Fist Fountain". See [FBI Exhibit No. \[63\]](#)

In 1995, a U.S. Army "knock off" of the Wesleyan hydration system technology was successfully tested at Natick Laboratories and the results became part of the comprehensive technical database of proprietary knowledge that was used by the U.S. Army's "preferred" contractors to mass produce the Wesleyan hydration system technology. See [FBI Exhibit No. \[64\]](#)

In 1996, the Department of Defense continued the misappropriation of Wesleyan technologies and their extensive research database at the behest of the Marine Corps when a Natick Laboratories contracting officer integrated the Wesleyan-based Camelbak style hydration system into the Marines' new backpack program called Modular Lightweight Load Equipment (Molle). See [FBI Exhibit No. \[65\]](#) Three years later in 1999, Wesleyan's Fist Fountain canteen refill technology was also exploited under Marine Corps requirements documents and budgets. See [FBI Exhibit No. \[66\]](#)

As of 2014, the same group of "preferred" U.S. Army contractors continue to misappropriate the Wesleyan-owned hydration system technology to support millions of dollars of sales revenues to military armies all over the world.

Step 4: The U.S. Army then used intimidation, coercion and extortion in an attempt to illicitly acquire Wesleyan Company's hydration system technology.

In July 1983, after Wesleyan Company presented their proprietary hydration system technology to U.S. Army engineers at Natick Laboratories, U.S. Army lawyers pressed Wesleyan Company to provide to the U.S. Government prototypes of their technology free of charge. For example, a U.S. Army attorney met with Mr. Schneider and advocated the U.S. Army's "commercial" position with respect to the Wesleyan-owned hydration system technology. The U.S. Army attorney advised Mr. Schneider,

"As a small inventor you should be honored that the Government would take the time to even look at it [the Wesleyan hydration system technology]," and "you should be a patriot and hand them [the Wesleyan prototypes] over for free." See [FBI Exhibit No. \[67\]](#)

Mr. Schneider then obtained legal advice that the U.S. Army attorney was violating Federal procurement law by making such a demand because any prototypes obtained by the U.S. Army from any private source must be paid for by the U.S. Government and have affixed to them payment and rights reservation markings. This was necessary to ensure that Wesleyan Company retained legal ownership over all of its intellectual property and data rights. See [FBI Exhibit No. \[68\]](#) for a more complete description of Mr. Schneider's meeting with this U.S. Army attorney.

Six months later, in December 1983, the U.S. Army dropped its insistence that Wesleyan Company simply give them their hydration system prototypes "for free" and offered instead to legally procure them. In March 1985, the US Army Chemical Command subsequently rejected the procurement of the Wesleyan prototypes and, instead, endorsed their own fielded equipment saying "if it ain't [sic] broke, don't fix it". In rejecting the legal procurement of the Wesleyan hydration system technology, the U.S. Army stated that the Wesleyan-owned hydration system technology, already misappropriated and under clandestine development by the U.S. Army, "was an unnecessary luxury," and that there was "no need for it". See [FBI Exhibit No. \[69\]](#) Mr. Schneider reported the situation to Dr. Roger Hubbard, Director, Human Heat Research, US Army Natick Research Institute Environmental Medicine, who had earlier advocated on behalf of the Wesleyan hydration system technology as a way to save the lives of soldiers in hostile nuclear, biological and chemical (NBC) environments.

In July 1985, Dr. Hubbard, arranged for Mr. Schneider to brief Major General Honor, Deputy Chief Logistics (DCSLOG) and over 80 representatives of the tri-services Water Area Management Resources Group (WARMAG) on the intrinsic value of the Wesleyan hydration system technology in saving the lives of soldiers including the Wesleyan-owned canteen refilling technology called Fist Fountain. After the meeting, Dr. Hubbard confided in Mr. Schneider that he was severely chided by military colleagues for having sponsored Wesleyan's presentation at WARMAG because of Mr. Schneider's statements that the lives of U.S. soldiers were unnecessarily being placed in harm's way by the U.S. Army itself because it was failing to act quickly enough to protect the lives of American soldiers in hostile NBC environments. In his August 20, 2004, declaration regarding the Wesleyan matter Dr. Hubbard stated,

"At one point in time, I understood that the Army intended to procure the Wesleyan device. Shortly thereafter, however, Natick announced a three year developmental process for a mask drink system. In my opinion, Natick was reinventing the wheel since much of the technology was already available. It is also my opinion that this change in approach resulted after a meeting between officials from WARMAG and Mr. Schneider in which Mr. Schneider apparently angered some WARMAG officials by pointing out the deficiencies in the existing military hydration system. Later, it appeared to me that Mr. Schneider's presentation had so angered officials that no one wanted to discuss the FFOTMHS or deal with Mr. Schneider." See [FBI Exhibit No. \[70\]](#)

Dr. Hubbard, in the face of internal U.S. Army opposition, continued to test the Wesleyan Company's hydration technology as a way to save the lives of soldiers operating in NBC environments with highly positive results. In 1988, Dr. Hubbard and his superior, Colonel Schnakenberg, Commander, US Army

Research Institute Environmental Medicine, US Army Medical Research and Development Command of the Surgeon General, gave an updated briefing on the Wesleyan hydration system technology to the U.S. Army Chemical School's Commandant, Major General Gerald Watson. In his July 28, 2003, sworn declaration, Dr. Hubbard recalls the briefing and states,

"I am convinced that my presentation and the flaws I identified in the Army's current drink systems angered the officials at the Chemical School who failed to realize the deficiencies with their existing system."

Dr. Hubbard, in his sworn deposition of August 20, 2004, further recalled the briefing,

"In the presentation, we (Colonel Schnakenberg/Dr. Hubbard) tried to present the truth of a scenario that we thought was likely to occur in a combat chemical environment"... "they (Army General Officers) were assuming that soldiers (in NBC gear) would fight for 6 hours"...but "research in published reports would have suggested that people in (NBC) gear without proper rehydration wouldn't last much more than a few minutes to hours."

In 1989, shortly after the briefing to Major General Watson, Colonel Schnakenberg was removed from his position. See [FBI Exhibit No. \[71\]](#) A short time later, Dr. Hubbard was removed from the human research-related mission at Natick Laboratories. In his sworn declaration of July 28, 2003, Dr. Hubbard states,

"I believe there to be a direct correlation between my removal from the human research related mission of the Directorate and my presentation to the Chemical School during the Command briefing and to others in the Army of the innovative on-the-move soldier hydration systems developed by Wesleyan Company. In my opinion, my presentation of these systems put the status of the Army's development efforts into question. Such scrutiny of the Army's efforts were not welcome, particularly when the novel concepts being presented came from a developer outside of the Army."

After Dr. Hubbard's duties were stripped from him by the U.S. Army, his staff and research suite of offices were removed. See [FBI Exhibit No. \[72\]](#) His wife, also an employee of the U.S. Army at Natick Laboratories, was harassed by U.S. Army officials. See [FBI Exhibit No. \[73\]](#) Dr. Hubbard was forced to retire in early in 1995. After honorably serving the U.S. Army for 34 years at Natick Laboratories, Dr. Hubbard and his wife left the United States to become citizens of Canada where they now reside in Nova Scotia. See [FBI Exhibit No. \[74\]](#)

Step 5: The U.S. Government then obstructed justice by engaging in legal and judicial misconduct.

In July 2006, the Federal Court of Appeals Federal Circuit (CAFC) rendered a decision on behalf of Wesleyan Company against the Army saying that it could move forward a full hearing at the ASBCA with its suit against the Army but wrote that,

**“...for Wesleyan to succeed on the merits, it must prove that the Army obtained confidential information later disclosed improperly...solely from the prototypes purchased.”**

Earlier in 2003, one of the world’s foremost authorities on international military protective equipment design and development, Mr. David Pike of England, swore out a Declaration in support of Wesleyan stating that the US Army’s OTM system “had its origins in the Wesleyan systems”. See [FBI Exhibit No. \[75\]](#)

In 2008, during the ASBCA hearing, the U.S. Army trial attorney failed to provide complete Camelbak patent documentation to Wesleyan Company to suppress hostile witness testimony. Against trial Judge’s earlier declaration to the U.S. Army that all of the physical evidence must be provided to for review by the Judges of the Court prior to issuing an opinion, the U.S. Army counsel violated the Court’s ruling. See [FBI Exhibit No. \[76\]](#) The U.S. Army counsel later failed to produce at the hearing damaging evidence against the Army demonstrating that all Wesleyan Company prototypes provided to the U.S. Army were procured as confidential Wesleyan Company proprietary information. When U.S. Army counsel failed to submit the procured physical prototypes, the presiding Judge over the objections of plaintiff’s counsel failed to compel the U.S. Army to produce the physical evidence as previously ordered by the Court itself. See [FBI Exhibit No. \[77\]](#)

Later during the same proceeding a U.S. Army program official was asked under oath if he had reverse engineered the Wesleyan hydration system technology. He replied,

**“It would have been likely that I would have because part of the evaluation was to look at the...components.”** See [FBI Exhibit No. \[78\]](#)

Wesleyan alleges that this admission by a U.S. Army program official under oath confirms that the U.S. Army reverse engineered the Wesleyan-owned hydration system technology in order to misappropriate and duplicate the Wesleyan-owned hydration system technology. The Court failed to admonish the U.S. Army program official for his actions. Instead, the presiding Judge attempted to justify the actions of the U.S. Army in his final decision against Wesleyan. Wesleyan Company alleges that this was not a simple error in law but rather the result of collusion arising from a direct and actual conflict of interest among the U.S. Army, U.S. Army counsel and the presiding judge. See [FBI Exhibit No. \[79\]](#)

Wesleyan further alleges that the actions of the presiding Judge to overrule the plaintiff’s attorneys with respect to the presentation of critical physical evidence before the Court and the actions of U.S. Army Counsel to preclude the physical cross examination of evidence was the result of judicial and U.S. Army misconduct resulting from a direct and actual conflict of interest. Allegations of judicial and U.S. Army attorney misconduct in the matter Wesleyan Company are more fully described at [FBI Exhibit No. \[80\]](#)

**IV. SUMMARY OF ALLEGED VIOLATIONS OF FEDERAL LAW BY THE U.S. GOVERNMENT IN THE MATTER OF WESLEYAN COMPANY**

1. **Federal procurement fraud: 18 U.S. Code § 1031 - Major fraud against the United States; Competition in Contracting Act (CICA) of 1984 (41 U.S.C. 253); Federal Acquisition Regulations as codified at Title 48, Chapter 1 of the United States Code of Federal Regulations and the Defense Federal Acquisition Regulations Supplement as codified at Title 48, Chapter 2 of the United States Code of Federal Regulations .**
2. **Conspiracy to defraud United States (18 U.S. Code § 371).**
3. **The violation of procurement integrity law. 5 C.F.R. Part 2635 applies.**
4. **Breach of material and fundamental express and implied contract, as part of a purposeful scheme to defraud. 18 U.S. Code § 1031 - Major fraud against the United States.**
5. **Violation of the Code of Ethics for Government Service, as part of a purposeful scheme to defraud. P. L. 96-303, July 3, 1980, applies.**
6. **Judicial and attorney misconduct. 28 U.S. Code Chapter 16 - COMPLAINTS AGAINST JUDGES AND JUDICIAL DISCIPLINE; Title 18 U. S. C. § 242 provides that judges are liable for criminal acts committed under “color of law”; CODE OF CONDUCT FOR UNITED STATES JUDGES; American Bar Association, Rule 8.4 of the Model Rules of Professional Conduct and others.**
7. **The Hobbs Act- interference with commerce by threats or violence as codified at 18 U.S.C. § 1951.**
8. **Mail and wire fraud as codified at 18 U.S.C. §§ 1341 and 1343.**
9. **The misappropriation intellectual property. 18 U.S.C. § 654: US Code - Section 654: Officer or employee of United States converting property of another, 18 U.S.C. § 641: US Code - Section 641: Public money, property or records, and 18 U.S. Code § 1832 - Theft of trade secrets; Article I, clause 8, of the United States Constitution: the “patent and copyright” clause, and; Amendment V of the United States Constitution: the “takings” clause apply.**

**V. THE VALUE OF THE WESLEYAN HYDRATION SYSTEM TECHNOLOGY**

The FFOTM HS is an expendable (unrepairable) standard issue military item for all US service personnel except for special occupational duties. It is used in training and war as the individual’s essential water storage device and to facilitate water consumption. It serves as a supplement or a replacement for the standard military water canteen.

In December 2009, Mr. Russell Parr, of IPRA Incorporated, one of the world’s foremost intellectual property damages experts, calculated that Wesleyan Company had suffered \$57 million in total damages. This figure was derived by totaling known sales then granting Wesleyan a customary 5% technology royalty. He added interest earned on 20 year Treasury Securities with Constant Maturity

using simple annualized compound growth with a 12% discount rate. A copy of the independent IPRA Incorporated valuation appears at [FBI Exhibit No. \[81\]](#)

#### VI. HOW THE U.S. ARMY ACQUIRED THE KNOWLEDGE TO DUPLICATE WESLEYAN'S HYDRATION SYSTEM TECHNOLOGY

In 1983, Wesleyan Company submitted to the Army its unsolicited proposals revealing its novel hydration systems technology. See [FBI Exhibit No. \[82\]](#) and [FBI Exhibit No. \[83\]](#) In December 1983, the U.S. Army began purchasing physical prototypes and continued purchasing prototypes from Wesleyan or its manufacturing licensee, Mine Safety Appliances Company until 1991.

Over this eight year period, the U.S. Army purchased nearly 677 Wesleyan hydration system prototypes featuring progressively advanced variations for a full spectrum of testing scenarios. The prototypes were tested at the U.S. Army Natick Laboratories, Natick, Massachusetts; the U.S. Army Research Institute Environmental Medicine, Natick, Massachusetts; U.S. Army Edgewood Research Center, Edgewood Maryland; U.S. Army Human Engineering Laboratory, Aberdeen Proving Ground, Aberdeen Maryland; U.S. Army Infantry School, Combat Developments, Ft. Benning, Georgia; U.S. Army Armor School, Ft. Knox, Kentucky; U.S. Army Chemical School, Ft. McClellan, Alabama. See [FBI Exhibit No. \[84\]](#)

The U.S. Army obtained performance data collected from the tests and kept the data compiled in a comprehensive file at Natick Laboratories under the cognizance of an U.S. Army contracting officer. In December 1985, Mr. Schneider of the Wesleyan Company met with this U.S. Army contracting officer to provide a progress update on the Wesleyan-owned hydration system technology. Mr. Schneider subsequently reported to his Congressman that he saw on the contracting officer's desk, in plain view, a disassembled prototype of a Wesleyan hydration system device. See [FBI Exhibit No. \[85\]](#) Later, the U.S. Army contracting officer when asked about the reverse engineering of the Wesleyan prototype he stated,

"It would have been likely that I would have [disassembled the prototypes] because part of the evaluation was to look at the...components." See [FBI Exhibit No. \[86\]](#)

In September 1987, the Defense Products Manager for Mine Safety Appliances, a defense contractor for the U.S. Army, went to Natick laboratories on official business to see a U.S. Army contracting officer there about mask re-breathers. The Mine Safety appliances official asked the U.S. Army contracting official if the U.S. Army intended to field the Wesleyan-owned hydration system technology. According to the Mine Safety Appliances official the U.S. Army contracting official replied that the U.S. Army was "...going to knock it off and field its own." See [FBI Exhibit No. \[87\]](#)

In September 1989, a U.S. Army attorney assisted a Natick Laboratories U.S. Army employee to obtain a U.S. patent titled: "Dual Valve Liquid Transfer Tube" referred to as "dual hose" in the prior March 1983 unsolicited proposal submitted by Wesleyan Company to the U.S. Army. The fraudulent patent was assigned to the Secretary of the Army. Wesleyan Company's hydration system was referenced in the fraudulent patent as the only domestic prior art and failed to note that the bogus patent was

derived from proprietary intellectual property that was misappropriated from the Wesleyan Company unsolicited proposal of March 1983. See [FBI Exhibit No. \[88\]](#)

The U.S. Army Laboratories at Natick and Edgewood learned over time why Wesleyan chose to develop a single hose design for their Wesleyan hydration system; a dual hose would not work reliably. Both U.S. Army Laboratories later stopped work on the dual hose option to duplicate the Wesleyan Company's single hose design that the U.S. Army later "leaked" to their "preferred" contractors for mass manufacture. See [FBI Exhibit No. 89](#)

While the U.S. Army advised Wesleyan Company that it could not move forward as a prime contractor to supply its hydration systems technology because an official Army Statement of Need did not exist for its purchase, U.S. Army preferred contractor ILC Dover, began fabrication of "dual hose" mask drinking systems based on the Wesleyan-owned hydration system technology under a multi task contract. Copies of these contracts appear at [FBI Exhibit No. \[90\]](#) ILC Dover's competitive internal dual hose design was taken directly from Wesleyan Company's Technical Feasibility research conducted at the Illinois Institute of Technology three years earlier. That research was only revealed to the U.S. Army inside Wesleyan's competition sensitive unsolicited proposal. See [FBI Exhibit No. \[91\]](#)

Wesleyan Company alleges that the U.S. Army used its long established June 20, 1980, Joint Services Organizational Requirement Document, as the basis for implementing the ILC Dover design around scheme. This was the document that the U.S. Army failed to disclose to Wesleyan Company as the U.S. Army stalled Wesleyan's type classification efforts for three years.

Wesleyan company further alleges that in December 1986, the U.S. Army again served as an information conduit for misappropriating Wesleyan Company competition sensitive and company confidential information to their "preferred" ILC Dover contractor. See [FBI Exhibit No. \[92\]](#) It was during this same time period that the ILC Dover Senior Project Engineer contacted the Wesleyan Company at the urging of U.S. Army Edgewood Research and Development Center. A follow up letter summarizing the conversation between ILC Dover and Wesleyan Company it states,

"I received the enclosed (new draft, competition sensitive and unpublished drink system) statement of need from Corey Grove yesterday which referenced your (Wesleyan) company. He also gave me your phone number."

The letter continued by inviting Wesleyan Company to be an ILC Dover subcontractor to produce the Wesleyan-owned hydration system technology stating,

"The government can buy from you directly but it may be expeditious for ILC Dover to buy from you and incorporate your equipment...If you elect to submit descriptive material to ILC please identify the patents or proprietary aspects of your system".

Wesleyan declined the subcontracting offer from ILC Dover. The Army later dropped any reference to Wesleyan Company as mask drink system manufacturer and inserted language to seek "similar technology" in its final requirements document. More information on this matter appears at [FBI Exhibit No. \[93\]](#)

In May 1988, the Army Chief of Staff approved the final language in the drink system requirement document which then authorized Natick to seek “similar technology”. The document also gave Natick laboratories the “green light” to begin a series of internal competitive efforts under various monikers while concurrently serving as custodian of Wesleyan Company’s database and acting as its impartial evaluator. One of these efforts involved the misappropriation of Wesleyan-owned hydration system technology by the U.S. Marine Corps. See [FBI Exhibit No. \[94\]](#)

## VII. HOW THE U.S. ARMY VIOLATED FEDERAL PROCUREMENT LAW IN THE MATTER OF WESLEYAN COMPANY

Under the Federal Activities Inventory Reform Act (FAIR), P.L. 105-270, and implementing Office of Management and Budget Circular A-76, the production of hydration systems for soldiers have never been considered an inherently governmental function. As such, the Wesleyan hydration system technology is considered by law as “commercial goods and services,” that must be openly procured from the private sector by the U.S. Army and the Department of Defense.

The Competition in Contracting Act (CICA) of 1984 (41 U.S.C. 253) governs competition in Federal procurement contracting. Any procurement contract not entered into through the use of procurement procedures expressly authorized by a particular statute is subject to CICA. CICA requires that contracts be entered into after “full and open competition through the use of competitive procedures” unless certain circumstances exist that would permit agencies to use noncompetitive procedures. There exist seven such circumstances permitting other than full and open competition. To exercise any such an exemption requires a rigorous and documented approval process before a Federal non-competitive contract can be let. The U.S. Government sought no such exemption in the matter of Wesleyan.

The Federal Acquisition Streamlining Act (FASA) of 1994 establishes a “preference” for the procurement of commercial items, which are generally not subject to full and open competition under CICA. The Federal Acquisition Reform Act (FARA) of 1996 amended the Federal Acquisition Regulation (FAR) and the Defense Federal Acquisition Regulations (DFAR) to “ensure that the requirement to obtain full and open competition is implemented in a manner that is consistent with the need to efficiently fulfill the Government’s requirements.” Open and fair competition for the soldier hydration system desired by the U.S. Army would not have negatively impacted the efficiency of the military’s operations. Moreover, in the case of Wesleyan, the pursuit of a sole source contract could have been accomplished quickly and efficiently. Thus, the non-competitive “pass through” contracts among the U.S. Army, the Department of Defense, Battelle Memorial Institute and Camelbak were not necessary to efficiently fulfill the Department of Defense (DOD) mission requirements in the matter of Wesleyan.

The U.S. Army they is required to follow Federal contract law whenever they let contracts for work to outside entities. See [FBI Exhibit No. \[95\]](#) As an FFRDC these subcontract rules must include specific process steps that the Federal prime contractor implements to assure that the letting of subcontracts do not represent unfair competition with small businesses. These requirements were not followed when the U.S. Army allowed Battelle Memorial Institute to use Department of Defense funds and initiate a “by-pass” contract to Camelbak and other U.S. Army “preferred” contractors to build a competing soldier hydration systems even when the U.S. Army was fully aware that the patented, copyrighted ideas and trade secrets of Wesleyan Company were being integrated into a competing

system. By so doing, the U.S. Army purposefully bypassed fair and open competition by turning to Battelle Memorial Institute to initiate a “pass through” subcontract for Camelbak and other “preferred” U.S. Army contractors to duplicate the Wesleyan hydration system technology even though the U.S. Army was fully aware that the same or similar products were available from Wesleyan. Documents demonstrating that the U.S. Army was fully aware that they were duplicating aspects of the Wesleyan Company-owned hydration system technology to accomplish the same or similar purpose appear at [FBI Exhibit No. \[96\]](#)

The U.S. Army violated Federal procurement law and U.S. Office of Government Ethics laws, rules and procedures when it publicly endorsed the brand name and products of Camelbak and other “preferred” U.S. Army contractors contracted to duplicate the Wesleyan-owned hydration system technology. For example, Camelbak produces soldier hydration systems and, as such, was a direct competitor of Wesleyan Company. More information on the DOD endorsement of the products and services of Camelbak appears at [FBI Exhibit No. \[97\]](#)

#### VIII. HOW THE U.S. ARMY VIOLATED FEDERAL PROCUREMENT INTEGRITY LAW

5 C.F.R. Part 2635, Subpart E, requires that U.S. Government employees act in an impartial manner. In the matter of Wesleyan U.S. Army officials placed the defense of their own U.S. Government Department ahead of their duty of good faith and fair dealing thus compromising their impartiality. P.L. 96-303, Code of Ethics for Government Service, also requires that U.S. Government employees place their loyalty to the Constitution and the laws of the United States above their loyalty to their department. U.S. Government employees demonstrated their partiality in the matter of FoodQuestTQ LLC by participating in the violation of Federal procurement laws specifically as they relate to: 1) the fair and open competition provisions of The Competition in Contracting Act (CICA) of 1984 (41 U.S.C. 253); 2) the Federal Acquisition Streamlining Act (FASA) of 1994; 3) the Federal Acquisition Reform Act (FARA) of 1996, as amended; 4) Federal Activities Inventory Reform Act (FAIR), P.L. 105-270; 5) implementing Office of Management and Budget Circular A-76, and; 6) the Federal Acquisition Regulations (FARS). Specific examples where U.S. Government officials compromised their impartiality in the Wesleyan matter appear at [FBI Exhibit No. \[98\]](#)

5 C.F.R. Part 2635, Subpart G, requires that U.S. Government employees not misuse their positions of authority with the U.S. Government. U.S. Army employees misused their positions of authority by: engaging in criminal misconduct that includes violations of : 1) Federal procurement and procurement integrity law; 2) material and fundamental express and implied contracts with Wesleyan; 3) the Code of Ethics for Government Service, P. L. 96-303; 4) the Racketeer Influenced and Corruption Organizations Act (RICO) as codified at Title 18 U.S.C. §1961 et seq.; 5) Sherman Antitrust law as codified at 15 U.S.C. §§ 1-7 and Title 18 U.S. Code § 1031, and; 6) a large body of law relating to the misappropriation of Wesleyan owned intellectual property. Specific examples where U.S. Government officials misused their positions of authority in the Wesleyan matter appear at [FBI Exhibit No. \[99\]](#)

5 C.F.R. Part 2635, sets forth the procedures that must be followed when a Federal agency endorses a private sector organization, products, or persons. The U.S. Army and the Department of Defense

violated these provisions by endorsing the Camelbak and other soldier hydration products that contained Wesleyan patented and unpatented ideas including trade secrets. For example, the U.S. Army in cooperation with Camelbak, a “preferred” contractor to the U.S. Army and a direct competitor of Wesleyan, duplicated and then procured Camelbak soldier hydration systems that were known to contain Wesleyan patented ideas and trade secrets. By so doing, the U.S. Army contracting officials treated Camelbak as a “preferred” U.S. Government contractor to produce the same or similar product that they knew were being produced by Wesleyan. Camelbak is a direct competitor of Wesleyan in the soldier hydration systems market. Specific examples of U.S. Army and DOD endorsement of Camelbak and other “preferred” DOD contractors for the duplication of Wesleyan-owned hydration systems technology appears at [FBI Exhibit No. \[100\]](#)

**IX. HOW SENIOR U.S. ARMY MILITARY OFFICERS AND CIVILIAN EMPLOYEES OF THE U.S. ARMY VIOLATED THE CODE OF ETHICS FOR GOVERNMENT SERVICE (P.L. 96-303)**

P.L. 96-303 stipulates, among other requirements, that U.S. Government employees must: 1) put their loyalty to the highest moral principles and to country above loyalty to their U.S. Government department; 2) uphold the Constitution, laws, and regulations of the United States and never be a party to their evasion; 3) engage in no business with the Government, either directly or indirectly, which is inconsistent with the conscientious performance of their governmental duties; 4) never use any information gained confidentially in the performance of governmental duties as a means of making private profit; 5) expose corruption wherever discovered, and; 6) endeavor to uphold these principles, ever conscious that public office is a public trust. There is evidence that U.S. Army employees including senior U.S. Army officers, directly involved in the matter of Wesleyan Company failed to uphold these principles.

U.S. Government employees placed their loyalty to their own departments, i.e., the U.S. Army and the DOD, above their loyalty to the highest moral principles and the Constitution and laws of the United States of America. They did this by knowingly competing directly with Wesleyan company in violation of a large and long-standing body of Federal procurement and ethics statute, law and regulation; through the use of intimidation, coercion and extortion, and; by obstructing justice to prevent the exposure of their own misconduct.

U.S. Government employees failed to uphold the Constitution, laws, and regulations of the United States of America as they engaged in a purposeful scheme to evade Article I (patents and copyrights) and Amendment V (eminent domain) and the laws of the United States of America. These same U.S. Government employees engaged in activities that were directly and indirectly inconsistent with the conscientious performance of their official duties. They did these things by implementing a purposeful five step scheme to defraud Wesleyan of their hydration system technology that included intentional violations of Federal procurement, ethics and intellectual property laws and regulations and by obstructing justice.

U.S. Government employees used Wesleyan information gained confidentially in the performance of their official U.S. Government duties as a means of making private profit. The confidential information provided by Wesleyan was used by the U.S. Government to duplicate the ideas, goods and services already available to the food industry by Wesleyan. Personal profit to the U.S. Government employees involved took the form of awards, bonuses, promotions and other forms of

individual recognition for successfully meeting U.S. Army and DOD missions by illicitly engaging in the duplication Wesleyan products.

U.S. Government employees failed to expose corruption. Even after they were specifically informed of violations of Federal statute, law and regulation in the matter of Wesleyan, employees of the U.S. Government continued to engage in the violation and evasion of Federal laws.

But most egregious of all, the U.S. Army including some of its own senior military leaders, knowingly allowed the lives of American soldiers to remain unnecessarily at risk even when they were personally aware that an immediate and highly effective alternative to protect the troops was available to them.

See [FBI Exhibit No. \[101\]](#)

#### X. LEGAL AND JUDICIAL MISCONDUCT IN THE MATTER OF WESLEYAN COMPANY

In 2002 Wesleyan filed a complaint against the U.S. Army with the Armed Services Board of Contract Appeals (ASBCA) claiming that the U.S. Army misappropriated Wesleyan-owned hydration system technology and research to duplicate their technology. In 2006, after the ASBCA ruled against Wesleyan Company the matter was appealed to the Federal Court of Appeals Federal Circuit (CAFC).

In July 2006 the CAFC reversed the earlier ASBCA ruling stating that Wesleyan Company did not get a full hearing on the merits. In the CAFC decision the court ruled that Wesleyan could move forward to trial at the ASBCA with its suit against the Army but cautioned,

“For Wesleyan to succeed on the merits it must prove that the Army obtained confidential information later disclosed improperly...solely from the prototypes purchased.”

Prior to trial, in 2006 and 2007, Wesleyan’s company’s patent attorney, swore out Declarations that key elements of Wesleyan’s elaborate hydration shut off valve and locking switch originated at Wesleyan. See [FBI Exhibit No. \[102\]](#) Then these technologies were transferred within purchased prototypes delivered to the Army. Later, these same Wesleyan-owned technologies were migrated by the U.S. Army to their “preferred” Camelbak contractor where they were replicated.

Wesleyan Company’s patent attorney analyzed the features and similarities between Wesleyan’s original hydration system technologies that were not revealed in Wesleyan’s two U.S. patent disclosures relative to Camelbak’s hydration system products. See [FBI Exhibit No. \[103\]](#) It was observed that Wesleyan’s hydration systems featured an intricate shut off mechanism that produced a unique “clicking sound” when engaged. See [FBI Exhibit No. \[104\]](#) Coincidentally, this hydration locking switch was one of the parts “missing” from the U.S. Army’s prototype that was seen disassembled on the desk of the U.S. Army contracting officer at Natick Laboratories in December 1985. The Camelbak duplicate “shut off” mechanism operated identically and even made a “clicking sound” when engaged just like the original Wesleyan hydration system upon which it was designed.

In 2008, at the ASBCA hearing, the U.S. Army Natick contracting officer testified that when he took over from his predecessor, he was given cognizance over the entirety of the Wesleyan Company research database including two original fully operable prototypes and a dissembled prototype. Under oath, the U.S. Army contracting officer stated that he obtained the prototype that his

predecessor disassembled after his own efforts to reverse engineer other Wesleyan's hydration system prototypes. See [FBI Exhibit No. \[105\]](#)

However, in his predecessor's sworn testimony at the same ASBCA hearing he stated that he did not "recall" disassembling it [the Wesleyan prototype] "but he likely would have...as part of the evaluation" to check the chemical hardness of the parts. This testimony stands in stark contrast with his own earlier sworn deposition on April 23, 2003, when he stated that Natick Laboratories did not have a chemical related mission and he "...hired them [Chemical R&D Command, Aberdeen Proving Ground, Maryland] to do our [Natick's] chemical mask research and development for our [Natick's] programs." See [FBI Exhibit No. \[106\]](#)

Thus, it is alleged that the first U.S. Army contracting official responsible for overseeing Wesleyan Company contracting matters gave false testimony under oath at the ASBCA hearing when he justified the reverse engineering of Wesleyan-owned hydration system prototypes under a non-existent Natick Laboratories mission. It is noted that the presiding administrative law judge failed to address this serious contradiction. See [FBI Exhibit No. \[107\]](#)

During the same ASBCA hearing, U.S. Army counsel failed to physically produce the marked and labelled Wesleyan prototypes that Natick Laboratories had in their possession. This action contravened an earlier Court declaration to the U.S. Army that all of the physical evidence must be provided to for review by the Judges of the Court prior to issuing an opinion. Both the presiding administrative law judge and U.S. Army Counsel disregarded the higher Court's demand. This single action by the presiding judge and U.S. Army counsel left Wesleyan Company with no opportunity to prove the prior Federal Court of Appeals Federal Circuit (CAFC) ruling,

"For Wesleyan to succeed on the merits it must prove that the Army obtained confidential information later disclosed improperly...solely from the prototypes purchased and evaluated."

Wesleyan Company alleges that the actions of the presiding Judge to overrule the plaintiff's attorneys with respect to the presentation of critical physical evidence before the Court and the actions of U.S. Army Counsel to preclude the physical cross examination of evidence was not a simple "error of law." The presiding judge by failing to abide by the objections of plaintiff's attorneys intentionally disregarded the higher Courts ruling that the physical evidence must be cross examined by the Court before any ruling was issued. It is alleged that the Administrative Law Judge and U.S. Army Counsel misconduct resulted from a direct and actual conflict of interest. Allegations of Judicial and U.S. Army misconduct in the matter Wesleyan Company are more fully described at [FBI Exhibit No. \[108\]](#)

#### XI. THE CONSTITUTIONAL IMPLICATIONS OF THE WESLYAN COMPANY MATTER

Article I, Clause 8 of the United States Constitution, known as the Copyright Clause, empowers the United States Congress: *"To promote the Progress of Science and useful Arts, by securing for limited Times to Authors and Inventors the exclusive Right to their respective Writings and Discoveries."*

In the matter of Wesleyan the U.S. Army and their contracted agents interfered with Wesleyan Company's exclusive right to lawfully exercise their "discoveries" as set forth in a patent granted by the United States Patent and Trademarks Office (USPTO). These discoveries include the specific

systems and methods described therein to reduce the Wesleyan Company-owned hydration system invention to practice. See [FBI Exhibit No. \[109\]](#)

In the matter of Wesleyan, the U.S. Army and their “preferred” contractor Battelle Memorial Institute interfered with the Wesleyan inventor’s, i.e., the original author’s, right to lawfully exercise exclusive ownership of his copyrighted works that set forth expressions in writing of the results of his private research, patented and unpatented ideas and the trade secrets developed as the inventor reduced his hydration system technology to practice through the development of computer automated food risk management tools. See [FBI Exhibit No. \[110\]](#) It is further alleged that the U.S. Army and their contracted agents colluded to misappropriate Wesleyan copyrighted works. See [FBI Exhibit No. \[111\]](#)

It is also alleged that the U.S. Army and their contracted agent Battelle Memorial Institute, acquired and then misappropriated the patented and unpatented ideas and proprietary trade secrets shared with the U.S. Army in copyrighted Wesleyan materials that expressed in written form the Wesleyan inventor’s patented and unpatented ideas and proprietary trade secrets including a formal written proposal, a series of verbal and visual briefings and in written documents over the three year period 2002 to 2005. See [FBI Exhibit No. \[112\]](#)

The “takings” clause of the Fifth Amendment to the United States Constitution guides the U.S. Government exercise of the power of eminent domain by requiring that "just compensation" be paid if private property is taken for public use. The owner of the property that is taken by the U.S. Government must be justly compensated.

Wesleyan alleges that its privately funded research, patented and unpatented ideas and trade secrets as expressed in the inventor’s proprietary and copyrighted information misappropriated by the U.S. Army and Battelle Memorial Institute can be applied across both military and civilian applications making the fair market value of plaintiff’s patented and unpatented ideas and trade secrets quite substantial. See [FBI Exhibit No. \[113\]](#)

The U.S. Army and their preferred contractor misappropriated, used and then widely published the results of the Wesleyan’s researcher’s privately funded research, patented and unpatented ideas and trade secrets. The publication of Wesleyan’s proprietary and copyrighted trade secret information has compromised the future commercial potential of the Wesleyan researcher’s privately funded research, patented and unpatented ideas and trade secrets for both military and civilian applications.

## XII. INVESTIGATIVE TRIPWIRES PRESENTED CHRONOLOGICALLY

- A. The U.S. Army expresses interest in Wesleyan-owned soldier hydration system technology. See [FBI Exhibit No. \[5\]](#) ; [FBI Exhibit No. \[6\]](#) ; [FBI Exhibit No. \[8\]](#) ; [FBI Exhibit No. \[9\]](#) ; [FBI Exhibit No. \[11\]](#) ; [FBI Exhibit No. \[19\]](#) , [FBI Exhibit No. \[22\]](#), and; [FBI Exhibit No. \[23\]](#)
- B. The U.S. Army misappropriates Wesleyan-owned soldier hydration system technology. See [FBI Exhibit No. \[2\]](#) ; [FBI Exhibit No. \[4\]](#) ; [FBI Exhibit No. \[12\]](#) ; [FBI Exhibit No. \[13\]](#) ; [FBI Exhibit No. \[14\]](#) ; [FBI Exhibit No. \[15\]](#) ; [FBI Exhibit No. \[20\]](#) ; [FBI Exhibit No. \[21\]](#) ; [FBI Exhibit No. \[24\]](#) ; [FBI Exhibit No. \[26\]](#) ; [FBI Exhibit No. 27.pdf](#) ; [FBI Exhibit No. \[30\]](#) ; [FBI Exhibit No. \[31\]](#) ; [FBI Exhibit No. \[32\]](#) , and; [FBI Exhibit No. \[33\]](#)

- C. The U.S. Army disregards Federal procurement and procurement integrity law. [FBI Exhibit No. \[4\]](#) ; [FBI Exhibit No. \[12\]](#) ; [FBI Exhibit No. \[13\]](#) ; [FBI Exhibit No. \[14\]](#) ; [FBI Exhibit No. \[15\]](#) ; [FBI Exhibit No. \[20\]](#) ; [FBI Exhibit No. \[21\]](#) ; [FBI Exhibit No. \[24\]](#) ; [FBI Exhibit No. \[25\]](#) ; [FBI Exhibit No. \[26\]](#) ; [FBI Exhibit No. 27.pdf](#) ; [FBI Exhibit No. \[31\]](#) ; [FBI Exhibit No. \[32\]](#) ; [FBI Exhibit No. \[33\]](#) ; [FBI Exhibit No. \[39\]](#) ; [FBI Exhibit No. \[40\]](#) ; [FBI Exhibit No. \[41\]](#) ; [FBI Exhibit No. \[42\]](#) ; [FBI Exhibit No. \[43\]](#) ; [FBI Exhibit No. \[46\]](#) ; [FBI Exhibit No. \[49\]](#) ; [FBI Exhibit No. \[50\]](#) ; [FBI Exhibit No. \[52\]](#) ; [FBI Exhibit No. \[53\]](#) ; [FBI Exhibit No. \[54\]](#) ; [FBI Exhibit No. \[55\]](#) ; [FBI Exhibit No. \[56\]](#) ; [FBI Exhibit No. \[57\]](#) ; [FBI Exhibit No. \[61\]](#) ; [FBI Exhibit No. \[62\]](#) ; [FBI Exhibit No. \[63\]](#) ; [FBI Exhibit No. \[64\]](#) ; [FBI Exhibit No. \[65\]](#) ; [FBI Exhibit No. \[66\]](#) ; [FBI Exhibit No. \[67\]](#) ; [FBI Exhibit No. \[69\]](#) ; [FBI Exhibit No. \[70\]](#) ; [FBI Exhibit No. \[75\]](#) ; [FBI Exhibit No. \[79\]](#) ; [FBI Exhibit No. \[87\]](#) ; [FBI Exhibit No. \[88\]](#) ; [FBI Exhibit No. \[95\]](#) ; [FBI Exhibit No. \[96\]](#) ; [FBI Exhibit No. \[97\]](#) ; [FBI Exhibit No. \[98\]](#) ; [FBI Exhibit No. \[99\]](#) ; [FBI Exhibit No. \[100\]](#) ; [FBI Exhibit No. \[102\]](#) ; [FBI Exhibit No. \[106\]](#) ; [FBI Exhibit No. \[106\]](#) ; [FBI Exhibit No. \[107\]](#) ; [FBI Exhibit No. \[109\]](#) ; [FBI Exhibit No. \[110\]](#) , and; [FBI Exhibit No. \[112\]](#)
- D. The U.S. Army initiates a clandestine “in-house” development program using the misappropriated Wesleyan-owned soldier hydration system technology. [FBI Exhibit No. \[4\]](#) ; [FBI Exhibit No. \[12\]](#) ; [FBI Exhibit No. \[13\]](#) ; [FBI Exhibit No. \[14\]](#) ; [FBI Exhibit No. \[20\]](#) ; [FBI Exhibit No. \[21\]](#) ; [FBI Exhibit No. \[26\]](#) ; [FBI Exhibit No. \[27\]](#); [FBI Exhibit No. \[30\]](#) ; [FBI Exhibit No. \[31\]](#) ; [FBI Exhibit No. \[32\]](#) ; [FBI Exhibit No. \[33\]](#) ;
- E. The U.S. Army states that it intends to produce “knock offs” of the misappropriated Wesleyan-owned soldier hydration system technology. [FBI Exhibit 26](#); [FBI Exhibit No. \[27\]](#); [FBI Exhibit No. \[62\]](#); [FBI Exhibit No.\[64\]](#);
- F. The U.S. Army bypasses procurement law and turns to a group of “preferred” contractors to duplicate and mass produce Wesleyan-owned soldier hydration system technology. [FBI Exhibit No. \[12\]](#); [FBI Exhibit No. \[13\]](#); [FBI Exhibit No. \[14\]](#); [FBI Exhibit No. \[24\]](#); [FBI Exhibit No. \[26\]](#); [FBI Exhibit No. \[27\]](#); [FBI Exhibit No. \[30\]](#); [FBI Exhibit No. \[31\]](#); [FBI Exhibit No. \[32\]](#); [FBI Exhibit No. \[44\]](#); [FBI Exhibit No. \[46\]](#); [FBI Exhibit No. \[48\]](#); [FBI Exhibit No.\[49\]](#); [FBI Exhibit No.\[55 \]](#); [FBI Exhibit No.\[56\]](#); [FBI Exhibit No.\[57\]](#); [FBI Exhibit No.\[58\]](#)
- G. This action delays the eventual manufacture and fielding of life-saving hydration systems unnecessarily leaving the lives of combat troops in jeopardy on the battlefield. [FBI Exhibit No.\[59\]](#); [FBI Exhibit No.\[60\]](#); [FBI Exhibit No.\[101\]](#);
- H. The U.S. Army retaliates against U.S. Army military and civilian personnel and Wesleyan Company for stating that the U.S. Army was unnecessarily delaying the procurement of life-saving equipment required by soldiers in combat. . [FBI Exhibit No.\[59\]](#); [FBI Exhibit No.\[71\]](#); [FBI Exhibit No.\[72\]](#); [FBI Exhibit No.\[73\]](#); [FBI Exhibit No.\[74\]](#)
- I. The Armed Services Board of Contract Appeals engages in a direct and actual conflict of interest in the case of Wesleyan Company v. the U.S. Army. . [FBI Exhibit No. \[76\]](#); [FBI Exhibit](#)

[No. \[77\]](#); [FBI Exhibit No.\[78\]](#); [FBI Exhibit No.\[79\]](#); [FBI Exhibit No.\[105\]](#); [FBI Exhibit No.\[106\]](#); [FBI Exhibit No.\[107\]](#); [FBI Exhibit No.\[108\]](#); [FBI Exhibit No.\[121\]](#);

- J. The presiding ASBCA administrative law judge fails to compel the cross examination of evidence as directed by a prior court ruling and over the objections of plaintiff's attorneys. . [FBI Exhibit No.\[76\]](#); [FBI Exhibit No.\[77\]](#); [FBI Exhibit No.\[121\]](#)
- K. The U.S. Army Counsel representing the U.S. Army during the ASBCA proceeding conspired with the presiding administrative law judge to prevent the cross examination of evidence as specifically directed by a prior court ruling. [FBI Exhibit No.\[76\]](#); [FBI Exhibit No.\[77\]](#); [FBI Exhibit No.\[121\]](#)

### XIII. LIST OF FBI EXHIBITS

[FBI Exhibit No. \[1\]](#): Wesleyan Company patents for a specialized drinking system and canteen water refilling system.

[FBI Exhibit No. \[2\]](#): Wesleyan Company November 1982 unsolicited proposal to the U.S. Army.

[FBI Exhibit No. \[3\]](#): A "dual hose" alternative for drinking liquids in hostile environments was also revealed in Wesleyan's scientific research contained within the November 1982 unsolicited proposal.

[FBI Exhibit No. \[4\]](#): In April 1983, after rejecting the Wesleyan Company proposal, the U.S Army continued their own internal development of the Wesleyan hydration system.

[FBI Exhibit No. \[5\]](#): December 1983, U.S. Army procurement of Wesleyan Company prototype hydration systems for human factors evaluation.

[FBI Exhibit No. \[6\]](#): In May 1984, the U.S. Army human factors evaluation concluded that Mr. Schneider's invention was "worthwhile" to pursue for use in nuclear, biological and chemical (NBC) environments.

[FBI Exhibit No. \[7\]](#): In August 1984, the U.S. Army confirms that Wesleyan modified versions of its original NBC mask drink technologies work with combat vehicle crew modified helmets to allow soldier's operating in tanks to drink water "on-the-move" during operational tank tests.

[FBI Exhibit No. \[8\]](#): Congress funds the Wesleyan hydration system technology for type classification testing and procurement

[FBI Exhibit No. \[9\]](#): On August 30, 1984 the U.S. Army accepts and takes delivery of Wesleyan Company's hydration system.

**FBI Exhibit No. [10]:** U.S. Army duplicates hydration systems by misappropriating Wesleyan Company technology including what is now commonly referred to as the Camelbak hydration system.

**FBI Exhibit No. [11]:** U.S. Army senior scientist Dr. Roger Hubbard endorses of the Wesleyan Company hydration system for all U.S. Army troops.

**FBI Exhibit No. [12]:** In February 1985, the U.S. Army initiates a “pass through” contract to their “preferred” Battelle Memorial Institute contractor to prepare a report recommending design changes based on misappropriated Wesleyan hydration system technology

**FBI Exhibit No. [13]:** In March 1985, the US Army Chemical School rejects the Wesleyan Company hydration system technology contending that “It does not work.”

**FBI Exhibit No. [14]:** In May 1985, the U.S. Army tasks defense contractor ILC Dover, to prototype design changes to the Army’s existing drinking mask technology using Wesleyan’s hydration system

**FBI Exhibit No. [15]:** In March 1983 ILC Dover design changes include the “dual hose” method for supplying drinking liquids to soldiers as presented by Wesleyan Company in their unsolicited proposal submitted to the U.S. Army.

**FBI Exhibit No. [16]:** In June 1985, the U.S. Army contracts Wesleyan Company to procure additional prototypes of their hydration systems with advanced shut off valves.

**FBI Exhibit No. [17]:** In July 1985, U.S. Army senior scientist Dr. Roger Hubbard of the U.S. Army Research Institute of Environmental Medicine (USARIEM) sponsors Mr. Schneider to brief Major General Honor on the Wesleyan hydration system technology.

**FBI Exhibit No. [18]:** A description of and the briefing materials presented by Wesleyan Company to Major General Honor.

**FBI Exhibit No. [19]:** In August 1985, U.S. Army tests at the Armor School at Fort Knox prove that Wesleyan hydration system technology is “highly successful” in providing physiological and psychological benefits to soldiers.

**FBI Exhibit No. [20]:** The U.S. Army alters an official Department of Defense requirements document before final approval by omitting any reference to the misappropriated Wesleyan Company hydration system technology.

**FBI Exhibit No. [21]:** In December 1985, Wesleyan Company discovers and alerts the U.S. Army that they are unlawfully “reverse engineering” the company’s hydration system technology.

**FBI Exhibit No. [22]:** In January 1986, Dr. Hubbard of the U.S. Army Research Institute of Environmental Medicine (USARIEM) advocates for the testing of the Wesleyan hydration system as a means to save the lives of soldiers in hostile NBC environments.

**FBI Exhibit No. [23]:** In September 1986, U.S. Army Research Institute of Environmental Medicine (USARIEM) testing empirically proves the significant value of the Wesleyan hydration system technology as a means to save the lives of soldiers in hostile NBC environments.

**FBI Exhibit No. [24]:** In January 1987, Wesleyan Company contacts Senator Alan J. Dixon to report that U.S. Army contractor, ILC Dover, was delivering “dual hose” prototypes to the U.S. Army as part of a “design around” scheme to misappropriate Wesleyan-owned hydration system technology.

**FBI Exhibit No. [25]:** On February 20, 1987, Wesleyan Company meets with and is assured by the U.S. Army that they will follow “fair contracting” processes in the matter of Wesleyan.

**FBI Exhibit No. [26]:** In June 1987, the U.S. Army Natick Laboratories advocates the “in-house” development of the Wesleyan hydration system technology including a “crude dual hose prototype.”

**FBI Exhibit No. [27]:** Wesleyan Company is independently advised, “The Army is going to knock off your technology.”

**FBI Exhibit No. [28]:** In October 1987, the U.S. Army determines that the Wesleyan hydration system technology was “progressing”.

**FBI Exhibit No. [29]:** In June 1988, Mine Safety Appliances, pays Wesleyan Company \$200,000 to license the Wesleyan hydration system technology.

**FBI Exhibit No. [30]:** No orders materialize for their soldier hydration technology because it is already being illicitly duplicated “in-house” by a group of “preferred” U.S. Army contractors.

**FBI Exhibit No. [31]:** In March 1989, the U.S. Army Natick Laboratories commences their own full-fledged “research, development, testing and evaluation (RDT&E)” program based on the Wesleyan Company’s hydration system technology.

**FBI Exhibit No. [32]:** Over the period 1990 to 1992, the U.S. Army fails the Wesleyan hydration system technology as they were clandestinely developing “in-house”.

**FBI Exhibit No. [33]:** Over the period 1992 to 1994, the U.S. Army redirected their “in-house” research, development, testing and evaluation (RDT&E) “knock-off” effort to their “preferred” Camelbak contractor using the Wesleyan owned hydration system technology for mass production.

**FBI Exhibit No. [34]:** The 2001 Armed Services Board of Contract Appeals (ASBCA) review of the Wesleyan Company matter is tainted by actual conflict of interest leading to judicial and attorney misconduct.

**FBI Exhibit No. [35]:** From 2001 to the present time Wesleyan Company has lost \$57,000,000 dollars in royalties to U.S. Army “preferred” contractor Camelbak.

**FBI Exhibit No. [36]:** Summary timeline of events for the Wesleyan matter.

**FBI Exhibit No. [37]:** 1996 U.S. General Accounting Office report concluding that U.S. troops remain highly vulnerable to attack from both chemical and biological agents

**FBI Exhibit No. [38]:** U.S. Army Field Manual 3-4

**FBI Exhibit No. [39]:** U.S. Army interest in the Wesleyan hydration system technology is first expressed when it misappropriated the design information contained in the March 1983 Wesleyan Company unsolicited proposal.

**FBI Exhibit No. [40]:** The U.S. Army is required to follow Federal and Defense Federal Acquisition Regulations (FARS-DFARS) to assure fair and open competition.

**FBI Exhibit No. [41]:** The U.S. Army initiates “by-pass” contracts to ILC Dover and Camelbak to integrate the Wesleyan-owned hydration system technology.

**FBI Exhibit No. [42]:** The U.S. Army fails to assure that the awarding of a contract to ILC Dover and Camelbak does not result in direct and unlawful competition with Wesleyan Company.

**FBI Exhibit No. [43]:** The U.S. Army disregards specific provisions of the FARS-DFARS as they implement their unlawful scheme to defraud the Wesleyan Company of their hydration system technology.

**FBI Exhibit No. [44]:** U.S. Army “preferred” contractors most directly involved in the misappropriation of the Wesleyan-owned hydration system technology.

**FBI Exhibit No. [45]:** U.S. Army prime contractor Battelle Memorial Institute provides technical and design services to the U.S. Army’s programs for nuclear, biological and chemical (NBC) protection for soldiers.

**FBI Exhibit No. [46]:** In April 1983, the U.S Army turns to Battelle Memorial Institute to continue the illicit clandestine development of the misappropriated Wesleyan-owned hydration system technology.

**FBI Exhibit No. [47]:** In December 1983, the U.S. Army approaches Wesleyan Company to procure several of their hydration system prototypes for evaluation.

**FBI Exhibit No. [48]:** In February 1985, the U.S. Army initiates a contract with Battelle Memorial Institute to conduct a study on how to improve the Army's already fielded mask drinking capabilities.

**FBI Exhibit No. [49]:** The report by Battelle Memorial Institute recommends design changes that misappropriate the Wesleyan-owned hydration system technology.

**FBI Exhibit No. [50]:** In February 1987, U.S. Army Undersecretary for Research Development Acquisition, J.R. Sculley, assures Wesleyan Company that the U.S. Army will engage only in fair contracting practices.

**FBI Exhibit No. [51]:** News of the Wesleyan Company meeting with U.S. Army under Secretary for Research Development Acquisition, J.R. Sculley, enrages U.S. Army personnel at Natick and other U.S. Army Laboratories.

**FBI Exhibit No. [52]:** In April 1987, U.S. Army personnel rewrite the drink system requirement document to begin a competitive full drink system development program to compete directly with Wesleyan Company.

**FBI Exhibit No. [53]:** In June 1987, the U.S. Army's Natick Laboratories assembled a version of a crude dual hose drink design prototype by misappropriating Wesleyan Company's hydration system technology.

**FBI Exhibit No. [54]:** A Natick U.S. Army program official assembles an "in-house" Test Evaluation Strategy Meeting (TESM) to illicitly mass produce the misappropriated Wesleyan hydration system technology.

**FBI Exhibit No. [55]:** A U.S. Army program official "hands off" the Wesleyan Company hydration system technology to another "preferred" contractor for development and mass production.

**FBI Exhibit No. [56]:** A U.S. Army attorney assists a Natick Laboratory employee to obtain a bogus patent that is based on USPTO pre-existing and already issued Wesleyan Company hydration systems USPTO patents.

**FBI Exhibit No. [57]:** The U.S. Army patent filing fails to note that the patent submission was actually based on proprietary intellectual property that was originally misappropriated from Wesleyan's March 1983 unsolicited proposal research.

**FBI Exhibit No. [58]:** The U.S. Army stopped work on duplicating the Wesleyan dual hose option to return to replicating Wesleyan's single hose design.

**FBI Exhibit No. [59]:** The U.S. Army places the lives of thousands of U.S. soldiers at risk in the event of a nuclear, chemical or biological attack on the battlefield.

**FBI Exhibit No. [60]:** The U.S. Army maintains the fact that soldiers are at risk as a closely held secret within the Department of Defense and the U.S. Army.

**FBI Exhibit No. [61]:** The U.S. Army “fails” Wesleyan Company hydration systems in operational field tests to justify further Congressional funding of the U.S. Army clandestine “in-house” effort to duplicate the Wesleyan-owned hydration system technology.

**FBI Exhibit No. [62]:** The U.S. Army Natick Laboratories program manager applied unspent money originally appropriated from Congress for the procurement of Wesleyan’s hydration system technology to illicitly develop in-house alternative.

**FBI Exhibit No. [63]:** The U.S. Army reaches out to their “preferred” Camelbak defense contractor to manufacture a version of the Wesleyan-owned hydration system technology.

**FBI Exhibit No. [64]:** In 1995, the U.S. Army “knock off” of the Wesleyan hydration system technology is successfully tested at Natick Laboratories.

**FBI Exhibit No. [65]:** In 1996, the Department of Defense continues the misappropriation of Wesleyan hydration system technology and their extensive research database at the behest of the Marine Corps. **MC**

**FBI Exhibit No. [66]:** In 1999, Wesleyan’s Fist Fountain canteen refill technology is also exploited under Marine Corps requirements documents and budgets. **MC SOLI**

**FBI Exhibit No. [67]:** U.S. Army lawyers press Wesleyan Company to provide their prototypes free of charge.

**FBI Exhibit No. [68]:** Mr. Schneider obtains legal advice to protect the data rights to all of his prototypes. **PROTECT**

**FBI Exhibit No. [69]:** The U.S. Army states that the Wesleyan-owned hydration system technology already misappropriated and under clandestine development by the U.S. Army, “was an unnecessary luxury,” and that there was “no need for it”. **HONOR**

**FBI Exhibit No. [70]:** August 20, 2004, declaration by Dr. Roger Hubbard.

**FBI Exhibit No. [71]:** In 1989, shortly after the briefing to Major General Watson, Colonel Schnakenberg are removed from their positions.

**FBI Exhibit No. [72]:** Harassment of Dr. Hubbard’s wife, also an employee of the U.S. Army at Natick Laboratories, by the U.S. Army.

**FBI Exhibit No. [73]:** Early in 1995, Dr. Hubbard is forced to retire after 34 years of honorable service to the U.S. Army.

**FBI Exhibit No. [74]:** After honorably serving the U.S. Army for 34 years at Natick Laboratories, Dr. Hubbard and his wife leave the United States to become citizens of Canada. [CANADA.pdf](#)

**FBI Exhibit No. [75]:** Earlier in 2003, the world's foremost authority on international military protective equipment design and development swears in a declaration that the U.S. Army hydration system "had its origins in the Wesleyan systems."

**FBI Exhibit No. [76]:** U.S. Army counsel violates the prior Armed Services Board of Contract Appeals ruling that the evidence must be provided for physical review by the Judges of the Court prior to issuing an opinion.

**FBI Exhibit No. [77]:** The presiding Judge of the Armed Services Board of Contract Appeals fails to compel the U.S. Army to produce the physical evidence at the hearing as previously ordered by the Court itself.

**FBI Exhibit No. [78]:** U.S. Army program official states under oath during the ASBCA hearing that he "likely" reverse engineered the Wesleyan-owned hydration system technology.

**FBI Exhibit No. [79]:** The presiding Judge makes an intentional and significant error in law arising from a direct and actual conflict of interest among the U.S. Army, U.S. Army counsel and the presiding Judge.

**FBI Exhibit No. [80]:** Analysis of allegations of Judicial and U.S. Army misconduct in the matter Wesleyan Company.

**FBI Exhibit No. [81]:** \$57,000,000 independent valuation of the Wesleyan Company hydration system technology.

**FBI Exhibit No. [82]:** March 1983, Wesleyan Company unsolicited proposal submitted to the U.S. Army.

**FBI Exhibit No. [83]:** Second Wesleyan Company unsolicited proposal submitted to the U.S. Army. FOUNTAIN.

**FBI Exhibit No. [84]:** From 1983 to 1991, the U.S. Army purchased nearly 677 Wesleyan hydration system prototypes for full spectrum testing. [677](#)

**FBI Exhibit No. [85]:** December 1985, Wesleyan Company discovers a disassembled prototype of their hydration system device on the desk of a U.S. Army engineer and contract official.

**FBI Exhibit No. [86]:** December 1985, Wesleyan Company alerts the U.S. Army that they are unlawfully "reverse engineering" the company's hydration system technology.

**FBI Exhibit No. [87]:** September 1987, a U.S. Army contracting official states that the U.S. Army is “...going to knock it off [the Wesleyan Company-owned hydration system technology] and field its own.”

**FBI Exhibit No. [88]:** September 1989, the U.S. Army obtains a bogus patent based on the Wesleyan Company previously patented hydration system technology.

**FBI Exhibit No. [89]:** The U.S. Army “leaks” the Wesleyan Company-owned single hose technology to their “preferred” contractors.

**FBI Exhibit No. [90]:** The U.S. Army tasks their “preferred” ILC Dover contractor to fabricate “dual hose” mask drinking systems based on the Wesleyan-owned hydration system technology.

**FBI Exhibit No. [91]:** ILC Dover’s dual hose design is taken directly from Wesleyan Company’s technical feasibility research conducted at the Illinois Institute of Technology three years earlier.

**FBI Exhibit No. [92]:** December 1986, the U.S. Army misappropriates proprietary information on the Wesleyan Company hydration system technology to their “preferred” ILC Dover contractor.

**FBI Exhibit No. [93]:** The U.S. Army drops any reference to Wesleyan Company as a mask drink system manufacturer and inserts language to seek “similar technology” in its final requirements document.

**FBI Exhibit No. [94]:** The misappropriation of Wesleyan-owned hydration system technology by the U.S. Marine Corps. **MC SOLI**

**FBI Exhibit No. [95]:** The U.S. Army was fully aware that they were duplicating Wesleyan Company-owned hydration system technology to accomplish the same or similar purpose. **MC SOL**

**FBI Exhibit No. [96]:** Violations of Federal contract law by the U.S. Army.

**FBI Exhibit No. [97]:** The Department of Defense and the U.S. Army openly endorse the hydration system products and services of their “preferred” Camelbak contractor.

**FBI Exhibit No. [98]:** Specific examples where U.S. Army military officers and civilian employees compromised their impartiality in the matter of Wesleyan Company.

**FBI Exhibit No. [99]:** Specific examples where U.S. Army military officers and civilian employees misused their positions of authority in the matter of Wesleyan Company.

**FBI Exhibit No. [100]:** The Department of Defense and the U.S. Army openly endorse the hydration system products and services of Camelbak.

[FBI Exhibit No. \[101\]](#): U.S. Army senior military and civilian leaders knowingly allowed the lives of American soldiers to remain unnecessarily at risk.

[FBI Exhibit No. \[102\]](#): The U.S. Army provided their “preferred” Camelbak contractor with Wesleyan Company’s elaborate hydration shut off valve and locking switch where they were replicated.

[FBI Exhibit No. \[103\]](#): A patent attorney for Wesleyan Company’s analyses the features and similarities between Wesleyan company’s original hydration system technologies relative to Camelbak’s hydration system products.

[FBI Exhibit No. \[104\]](#): As a result of the patent attorney’s analysis, it was observed that Wesleyan’s hydration systems featured an intricate shut off mechanism that produced a unique “clicking sound” when engaged.

[FBI Exhibit No. \[105\]](#): A U.S. Army contracting officer states that he obtained the Wesleyan hydration system prototype that his predecessor disassembled after his own efforts to reverse engineer other Wesleyan’s hydration system prototypes.

[FBI Exhibit No. \[106\]](#): Alleged perjury by a U.S. Army contract official in the matter of Wesleyan Company. [SNOW JOB](#)

[FBI Exhibit No. \[107\]](#): The Armed Services Board of Contract Appeals (ASBCA) presiding judge fails to address apparent perjury by a U.S. Army contract official in the matter of Wesleyan Company. [JUDGE REV](#) [SNOW JOB](#)

[FBI Exhibit No. \[108\]](#): Allegations of Judicial and U.S. Army counsel misconduct in the matter Wesleyan Company.

[FBI Exhibit No. \[109\]](#): The U.S. Army and their contracted agents interfere with Wesleyan Company’s exclusive right to lawfully exercise their “discoveries” as set forth in a patent granted by the United States Patent and Trademarks Office (USPTO). [MC SOLICITATION](#) [FBI MC SOL](#)

[FBI Exhibit No. \[110\]](#): The U.S. Army and their “preferred” contractor, Battelle Memorial Institute, interfere with the Wesleyan Company inventor’s, i.e., the original author’s, right to lawfully exercise exclusive ownership of his copyrighted works.

[FBI Exhibit No. \[111\]](#): Allegations that the U.S. Army and their contracted agents colluded to misappropriate Wesleyan Company copyrighted research.

[FBI Exhibit No. \[112\]](#): Over the three year period 2002 to 2005, Wesleyan Company provides the U.S. Army with proprietary verbal and visual briefings and written documents.

[FBI Exhibit No. \[113\]](#): Wesleyan Company’s hydration system technology can be applied across both military and civilian applications making the fair market value of plaintiff’s patented and unpatented ideas and trade secrets quite substantial.

[FBI Exhibit No. \[114\]](#): Failure to procure Wesleyan hydration technologies after repeated urging by the Surgeon General’s Army representatives.

**FBI Exhibit No. [115]:** Invited government intercessor that ferreted Wesleyan hydration technologies out of the Army’s Natick laboratory to “father” the militarized version of what is now known as “Camelbak.”

**FBI Exhibit No. [116]:** Illegally reversed engineered Wesleyan prototypes.

**FBI Exhibit No. [117]:** Established Army in-house competitive development program that ran off **siphoned procurement funds earmarked for Wesleyan.**

**FBI Exhibit No. [118]:** Migrated Wesleyan hydration technologies to the Marine Corps. “Molle” backpack development.

**FBI Exhibit No. [119]:** Established Lighthouse for the Blind as a Federal contract set aside manufacturer of Wesleyan hydration technologies.

**FBI Exhibit No. [120]:** Released Wesleyan’s proprietary technologies and guided Battelle/ILC DOVER to ‘knock off’ Wesleyan hydration technologies.

**FBI Exhibit No. [121]:** Failure to compel the U.S. Army to produce key physical evidence as mandated by an earlier upper court ruling thereby denying Wesleyan physical cross-examination as required under the Rules of Evidence.

**FBI Exhibit No. [122]:** Failure to produce complete documents, suppression of physical evidence, improper coaching of witnesses.

**FBI Exhibit No. [123]:** Barry Act violations; importing defective Camelbak components from Mexico during a time of war.

**FBI Exhibit No. [124]:** Advocated for the procurement of Wesleyan hydration technologies as the Army’s representative of the Surgeon General based upon empirical data; later demoted, and forced into early retirement.

**FBI Exhibit No. [125]:** Attendance at Army meetings where reverse engineering occurred.  
**TRANSCRIPT**

**FBI Exhibit No. [126]:** Saw Army Contracting Officer with disassembled Wesleyan prototypes and heard him say that “the Army was going to knock it off.”

**U.S. GOVERNMENT, MILITARY LEADERS AND CONTRACTOR PERSONNEL MOST DIRECTLY INVOLVED IN THE WESLEYAN COMPANY MATTER**

**1. Alleged perpetrators**

Name	Title	Allegation	Explanation
MG Honor	U.S. Army Deputy Chief of Staff Logistics For Water, Oil	Dereliction of duty	Failed to procure Wesleyan hydration technologies after repeated urging by the Surgeon General’s Army representatives. <b><u>FBI Exhibit No. [114]</u></b>
MG Watson	Commandant US Army Chemical School		

LT Michael Sparks	Marine Corps		Invited government intercessor that ferreted Wesleyan hydration technologies out of the Army's Natick laboratory to "father" the militarized version of what is now known as "Camelbak" <a href="#">FBI Exhibit No. [115]</a>
Patrick Snow	U.S. Army Natick Contracting Officer	Contracting fraud	Illegally reversed engineered Wesleyan prototypes. <a href="#">FBI Exhibit No. [116]</a>
Donald Davio			Established Army in-house competitive development program that ran off siphoned procurement funds earmarked for Wesleyan. <a href="#">FBI Exhibit No. [117]</a>
John Kirk			Migrated Wesleyan hydration technologies to the Marine Corps. "Molle" backpack development. <a href="#">FBI Exhibit No. [118]</a>
Roger Masadi			Established Lighthouse for the Blind as a federal contract set aside manufacturer of Wesleyan hydration technologies. <a href="#">FBI Exhibit No. [119]</a>
Cory Grove			U.S. Army Edgewood Contracting Officer
Judge Monroe Freeman	Administrative Law Judge Armed Services Board Contract Appeals	Judicial misconduct	Failed to compel the Army to produce key physical evidence as mandated by an earlier upper court ruling thereby denying Wesleyan physical cross-examination as required under the Rules of Evidence. <a href="#">FBI Exhibit No. [121]</a>
Craig S. Clarke, Esq.	Army Judge Advocate General Trial Attorney	Attorney misconduct	Failure to produce complete documents, suppression of physical evidence, improper

			coaching of witnesses. <a href="#">FBI Exhibit No. [122]</a>
Charles Hunter	VP Sales and Marketing Camelbak Products, Inc.	Contracting fraud	Barry Act violations; importing defective Camelbak components from Mexico during a time of war. <a href="#">FBI Exhibit No. [123]</a>

2. Key witnesses

Name	Title	Comment
Dr. Roger Hubbard	Director Human Heat Research, Army Natick Laboratories	Advocated for the procurement of Wesleyan hydration technologies as the Army's representative of the Surgeon General based upon empirical data; later demoted, and forced into early retirement. <a href="#">FBI Exhibit No. [124]</a>
Dr. Murray Hamlet	Director Cold Research, Army Natick Laboratories	Attended Army meetings where reverse engineering occurred. <a href="#">FBI Exhibit No. [125]</a>
Richard Miller	Manager, Defense Products, Mine Safety Appliances Company	Saw Army Contracting Officer Patrick Snow with disassembled Wesleyan prototypes and heard him say that "the Army was going to knock it off." <a href="#">FBI Exhibit No. [126]</a>

XIV. QUESTIONS TO GUIDE AN INVESTIGATION OF THE WESLEYAN COMPANY MATTER

1. The U.S. Army identified the Wesleyan Company's hydration system technology as a matter of interest to the mission of the U.S. military
  - a. Secretary of the Army
    - i. Is the U.S. Army interested in nuclear, biological and chemical protective gear for the U.S. Soldier?
      1. Yes?
      2. No?
    - ii. Is protecting the U.S. soldier a priority for the U.S. Army?
      1. Yes?
      2. No?
    - iii. Does the U.S. Army follow procurement laws as specified in the Federal Acquisition Regulations (FARS) and the Defense Federal Acquisition Regulations Supplement (DFARS)?

1. Yes?
  2. No?
2. The U.S. Army then circumvented a large and long-standing body of Federal procurement law in order to misappropriate and then duplicate, for U.S. Government purposes, the same and or similar technology originally developed by Wesleyan Company
- a. J.R. Sculley
    - i. Did you write this letter to Senator Dixon stating: “Wesleyan and other interested/qualified firms will be evaluated against the requirement” after Wesleyan company reported that the U.S. Army was ‘reverse engineering’ of their patented products?
      1. Yes?
      2. No?
    - ii. Did the U.S. Army assure Wesleyan Company that “fair contracting practices will be followed” when they reported the ‘reverse engineering’ of their patented products by the U.S. Army?
      1. Yes?
      2. No?
    - iii. When you were Secretary of the Army was the U.S. Army required to follow procurement laws as specified in the Federal Acquisition Regulations (FARS) and the Defense Federal Acquisition Regulations Supplement (DFARS)?
      1. Yes?
      2. No?
3. The U.S. then unlawfully turned to “preferred” U.S. Army contractor organizations to internally duplicate the hydration system technology originally developed by Wesleyan Company.
- a. Patrick Snow
    - i. Were you a contracting officer at the Army Natick Laboratories when the Army purchased and evaluated Wesleyan Company hydration technologies?
      1. Yes?
      2. No?
    - ii. When a contracting officer at Natick did you disassemble at least one prototype of Wesleyan Company’s hydration technologies?

1. Yes?
  2. No?
- iii. As a matter of operating policy at Army Natick Laboratories, did you disassemble a prototype of Wesleyan Company's hydration technologies? Did you disassemble the Wesleyan prototype on orders of a superior? Did you reverse engineer Wesleyan hydration technologies on your own?
1. Yes?
  2. No?
- iv. When you tore apart the prototype of Wesleyan Company's hydration technologies did you ever think you were stealing Wesleyan's intellectual property?
1. Yes?
  2. No?
- v. Did you ever tell Richard Miller, Defense Products Manage, Mine Safety Appliances Company that the Army was "going to knock off" Wesleyan's hydration technologies, meaning that the army was going to design a device to compete with it?
1. Yes?
  2. No?
- vi. As an Army Natick contracting officer didn't you read and have access to the Wesleyan Company original unsolicited proposal ("UP") before Wesleyan hydration prototypes were purchased by the Army?
1. Yes?
  2. No?
- vii. Didn't the Army attempt to develop a dual hose concept to compete with Wesleyan Company's hydration technologies which found its origin in the proprietary research contained within Wesleyan Company's unsolicited proposal?
1. Yes?
  2. No?
- viii. As contracting officer at Natick didn't you coordinate an effort using an Army in-house concept that competed with Wesleyan Company hydration technologies known as the dual hose concept? Wasn't that concept submitted to you by a Natick employee named Darrell Seekins, who worked inside the same building where you worked?
1. Yes?
  2. No?

- ix. **Didn't that dual hose concept, which originated from Wesleyan Company's proprietary research, get submitted for patenting by Army employee Darrell Seekins for the benefit of the Army?**
  - 1. Yes?
  - 2. No?
- x. **Wasn't Wesleyan Company the only domestic prior art referenced in the Seekins patent which was granted in 1990 and assigned to benefit the Army?**
  - 1. Yes?
  - 2. No?
- xi. **Didn't the Army just pirate Wesleyan Company's basic hydration research and then claim it as the Army's property in a false patent?**
  - 1. Yes?
  - 2. No?

**b. Donald Davio**

- i. **Did you take over from Mr. Patrick Snow the Army's evaluation of Wesleyan Company's hydration technologies? Did you commence a concurrent Army in-house competing effort called Dehydration Reduction Integrated Components System (D.R.I.N.C.S.) to derail Wesleyan Company's efforts to type-classify its hydration technologies for Army standard issue procurement?**
  - 1. Yes?
  - 2. No?
- ii. **Wasn't the Army's D.R.I.N.C.S. program a repackaging of many of Wesleyan Company's proprietary research and concepts pirated from Wesleyan Company's 1983-1985 unsolicited proposals?**
  - 1. Yes?
  - 2. No?
- iii. **To fund the the Army's D.R.I.N.C.S. competing hydration program, didn't the Army siphon off then divert over \$1,447,000 of the \$1,600,000 that Congress specifically appropriated in line item legislation for the final testing and procurement of Wesleyan Company's hydration technologies?**
  - 1. Yes?
  - 2. No?
- iv. **Didn't you get Mr. Douglas Bryce, Marine Corps. Developments, to approve of the D.R.I.N.C.S. competitive in house design around effort through a "customer order" so that it appeared that the Marine Corps. originated the program when in fact it was simply to obfuscate the truth that the program's genesis was derived from Wesleyan Company hydration technologies?**

1. Yes?
  2. No?
- v. Didn't D.R.I.N.C.S. get cancelled after the wasted spending of hundreds of thousands of dollars without tangible benefit to the Army?
1. Yes?
  2. No?
- vi. Wasn't D.R.I.N.C.S. a complete waste of time and money because the troops were still without the needed equipment to keep the safe?
1. Yes?
  2. No?
- c. Michael Sparks
- i. Do you lead a non-profit Think Tank known as 1<sup>ST</sup> Tactical Studies Group (Airborne)?
    1. Yes?
    2. No?
  - ii. Was one of its purposes of your think tank to give the military free ideas to improve or introduce new equipment?
    1. Yes?
    2. No?
  - iii. In 1989 were you a 2<sup>nd</sup> LT. in the US Marine Corps?
    1. Yes?
    2. No?
  - iv. In 1989 as a Marine 2<sup>nd</sup> LT. did you contact the Marine liaison office at Army Natick Laboratories about an alternative method to the Wesleyan Company's hydration technologies called Raider Tube?
    1. Yes?
    2. No?
  - v. After getting an invitation from fellow Marines stationed at Army Natick Laboratories, didn't you go to the Army Natick Laboratories in Massachusetts and meet with Army hydration engineers, including Donald Davio who had cognizance over Wesleyan Company's proprietary research/prototypes, about hydration technologies?
    1. Yes?
    2. No?

- vi. **After meeting with the Natick Army engineers did you promptly go to Texas to visit FasTrak, the forerunner company name of Camelbak, then strictly makers of recreational drinking devices?**
    - 1. Yes?
    - 2. No?
  
  - vii. **After that visit didn't you write on your website that you had taught FasTrak how to militarize their recreational devices in similar operational fashion to that of Wesleyan hydration technologies for use in nuclear, biological, chemical warfare scenarios?**
    - 1. Yes?
    - 2. No?
  
  - viii. **After meeting with Army Natick engineers, including Donald Davio having cognizance over Wesleyan Company's hydration technologies unsolicited proposals, proprietary research/prototypes, didn't you also teach FasTrak how to replicate Wesleyan hydration technologies by connecting FasTrak's recreational devices to fit onto a gas mask, a full five years after Wesleyan had originally taught the Army through its proprietary unsolicited proposals, research and purchased prototypes?**
    - 1. Yes?
    - 2. No?
4. **The U.S. Army then used intimidation, coercion and extortion in an attempt to silence Wesleyan Company from reporting violations of Federal laws.**
- a. **Lawrence Labadini**
    - i. **Between 1983 and 1990 were you employed as an attorney for the U.S. Army at Natick Laboratories?**
      - 1. Yes?
      - 2. No?
  
    - ii. **Did your duties include reviewing unsolicited proposals submitted to the U.S. Army Natick Laboratories?**
      - 1. Yes?
      - 2. No?
  
    - iii. **Between 1983 and 1985 did you review the unsolicited proposals it submitted to U.S. Army Natick Laboratories revealing its novel/patented on-the-move hydration technologies?**
      - 1. Yes?
      - 2. No?

- iv. In 1983 did you meet with Wesleyan Company president Wesley Schneider to discuss his patented (U.S. patent No. 4505310) on-the-move hydration technologies?
  - 1. Yes?
  - 2. No?
  
- v. At that meeting did you tell Mr. Schneider that “he should feel honoured to hand over his prototypes to the Natick Laboratories for free” because the Army was willing to evaluate them?
  - 1. Yes?
  - 2. No?
  
- vi. After Mr. Schneider refused to hand over to the Army his patented prototypes for free didn’t the Army purchase them for evaluation?
  - 1. Yes?
  - 2. No?
  
- vii. Didn’t the Army’s purchase of Wesleyan’s patented prototypes confirm it as a sole source contractor and acknowledge Wesleyan’s original ownership over those purchased technologies?
  - 1. Yes?
  - 2. No
  - 3.
  
- viii. Did your legal duties also include assisting Army Natick Laboratories’ employees in the preparation of U.S. patent applications?
  - 1. Yes?
  - 2. No?
  
- ix. In 1989 did you assist U.S. Army Natick Laboratory employee Darrell Seekins with the preparation of a U.S. patent application titled: “Dual Valve Liquid Transfer Tube” which served as an Army alternative hydration option to Mr. Schneider’s patented on-the-move hydration technologies?
  - 1. Yes?
  - 2. No?
  
- x. As Darrell Seekins’s Army attorney did you cite Wesley Schneider’s on-the-move hydration technologies U.S. patent as the patent’s only domestic prior art?
  - 1. Yes?
  - 2. No?
  
- xi. Was the Darrell Seekins patent application granted U.S. patent No. 4971048?
  - 1. Yes?
  - 2. No?

- xii. **Was the Darrell Seekins U.S. patent No. 4971048 assigned as property of the U.S. as represented by the Secretary of the Army?**
  - 1. **Yes?**
  - 2. **No?**
  
- xiii. **Did you assign the Darrell Seekins patent No. 4971048 to the U.S. Army despite the fact that those ideas were pirated from Wesleyan Company's proprietary research contained within its copyrighted 1983 unsolicited proposal?**
  - 1. **Yes?**
  - 2. **No?**
  
- xiv. **Because you read and understood the 1983 Wesleyan Company unsolicited proposal didn't you wilfully defrauded Wesleyan Company of its property in the form of copyrighted proprietary research which was the essence of the Seekins patent?**
  - 1. **Yes?**
  - 2. **No?**

5. The U.S. Army then obstructed justice by engaging in legal and judicial misconduct.

**a. Craig Clarke**

- i. **Did the army reward you with a judgeship after you suppressed critical evidence at the Wesleyan trial, allowing the army to win the case illegally?**
  - 1. **Yes?**
  - 2. **No?**
  
- ii. **Didn't the prior 2006 Court of Appeals Federal Circuit (CAFC) decision say board hearing was the total as you kept them from the hearing?**
  - 1. **Yes?**
  - 2. **No?**
  
- iii. **How can you be impartial when you collect an army pension plus an army paycheck?**
  - 1. **Yes?**
  - 2. **No?**
  
- iv. **Did you have a duty to justice to bring all evidence to a trial? Have you ever omitted?**
  - 1. **Yes?**
  - 2. **No?**
  
- v. **As an officer of the court don't you have an ethical and moral obligation to bring to the ASBCA hearing the key Wesleyan physical prototype(s) as**

**evidence for physical cross-examination in accordance with the Rules of Evidence? Did you attempt to perpetrate a fraud on the court by excluding that crucial evidence? In doing so, didn't it obstruct justice by preventing the physical cross-examination of the key Wesleyan Company physical prototypes held by the army for 20 years?**

1. Yes?
2. No?

vi. **Do you think you should resign your judgeship and submit to disbarment for obstruction of justice and theft of justice?**

1. Yes?
2. No?

vii. **Wasn't your concealment of Wesleyan's prototypes from the ASBCA hearing a theft from the court? Isn't that criminal conduct for an officer of the court which if proven could lead to criminal charges and perhaps prison?**

1. Yes?
2. No?

viii. **Isn't it true that you lost a Motion in Limine designed to keep evidence out of the hearing yet you didn't abide by it when you suppressed key physical evidence from entering the ASBCA hearing as ordered by the Board?**

1. Yes?
2. No?

**b. Monroe Freeman**

i. **Are you employed as an Administrative Judge on The Armed Services Board of Contract Appeals (ASBCA)?**

1. Yes?
2. No?

ii. **Is the ASBCA financed and staffed by a budget from the U. S. Army?**

1. Yes?
2. No?

iii. **Between 2002 and 2009 were you assigned as the presiding judge in the matter of: The Appeal of Wesleyan Company, Inc.? Under Contract No. DAAK-84-M-116, et al?**

1. Yes?
2. No?

iv. **During the course of the litigation did you rule against Army trial attorney Craig Clarke's Motion in Limine which attempted to limit the introduction of evidence at the pending hearing?**

1. Yes?

2. No?
- v. Did a 2006 Court of Appeals Federal Circuit (CAFC) ruling direct you to focus the ASBCA hearing on Wesleyan's prototypes "as purchased"?
  1. Yes?
  2. No?
- vi. During the ASBCA hearing did you advise Craig Clarke that you needed to have all physical evidence for other ASBCA colleagues to see prior to writing a hearing decision?
  1. Yes?
  2. No?
- vii. During the ASBCA hearing did Army attorney Craig Clarke present photos of Wesleyan prototypes in lieu of submitting key physical prototypes the Army held at U.S. Army Natick Laboratories?
  1. Yes?
  2. No?
- viii. When Army trial attorney Craig Clarke offered the photos in lieu of the physical prototypes did Wesleyan's attorney's object as a violation of the Rules of Evidence?
  1. Yes?
  2. No?
- ix. Did you rule to sustain Wesleyan's attorney's objection to the Army's desire to substitute photos in place of the physical prototypes because the Rules of Evidence required that evidence be subjected to physical cross-examination by the Wesleyan legal team?
  1. Yes?
  2. No?
- x. After you sustained Wesleyan's legal objection did you compel the Army trial attorney Craig Clarke to produce the physical prototypes at the hearing for physical cross-examination?
  1. Yes?
  2. No?
- xi. In failing to compel Army attorney Craig Clarke to produce the physical prototypes at the hearing did you wilfully defy the previous CAFC 2006 ruling that stated that the ASBCA hearing was to focus on the Wesleyan physical prototypes purchased by the Army?
  1. Yes?
  2. No?

- xii. **By allowing Army attorney Craig Clarke to suppress crucial physical prototype evidence from being physically cross-examined didn't you contradict your own earlier ASBCA hearing statement that you required all physical evidence because your ASBCA colleagues needed it for review prior to writing a decision?**
  - 1. Yes?
  - 2. No?
  
- xiii. **By allowing Army attorney Craig Clarke to suppress crucial physical prototype evidence from being physically cross-examined didn't you contradict your own earlier ASBCA Motion in Limine ruling that stated the Army could not with hold or prevent evidence from entering the ASBCA hearing?**
  - 1. Yes?
  - 2. No?
  
- xiv. **When you (the ASBCA) ruled against Wesleyan's appeal didn't it have the effect of saving the Army from having to pay Wesleyan as much as \$57,000,000 in damages due to lost royalties?**
  - 1. Yes?
  - 2. No?
  
- xv. **Did Army trial attorney Craig Clarke become appointed by the Army (ASBCA) to serve as an Administrative Judge, like you, a short time after you allowed him to suppress the crucial Wesleyan physical prototype evidence from physical cross-examination against the Rules of Evidence at the hearing?**
  - 1. Yes?
  - 2. No?
  
- xvi. **On January 14, 2009 did you issue the ASBCA written opinion ruling against Wesleyan's appeal?**
  - 1. Yes?
  - 2. No?
  
- xvii. **On page 7 of the ASBCA January 14, 2009 your written opinion purported to cite the original content of a letter in the archival record of evidence dated May 29, 1985 from Army Natick Laboratories Commanding Officer which assessed Wesleyan's physical prototypes but didn't you actually wilfully alter the wording of this evidence by replacing the word "many" with the word "some" that devalued the Army's true opinion about the value of Wesleyan's prototypes? ( Original letter in evidence : "The revised System, submitted with this proposal, appears to eliminate MANY of these problems; letter sentence as it reads in the ASBCA written January 14, 2009 opinion: The revised System, submitted with this proposal, appears to eliminate SOME of the problems").**
  - 1. Yes?
  - 2. No?

- xviii. **Isn't it a crime for an ASBCA Administrative Judge or other officer of the court to wilfully alter physical evidence entrusted to the cognizance of the court?**
1. Yes?
  2. No?
- xix. **Can a ASBCA Administrative Judge that is found guilty of altering a case's physical evidence be disbarred, fined, lose state/federal pension benefits and or be sent to prison for obstruction of justice and or theft of justice?**
1. Yes?
  2. No?