

The Honorable Michael E. Horowitz
Office of the Inspector General
U.S. Department of Justice
950 Pennsylvania Avenue, N.W.,
Suite 4706
Washington, D.C. 20530-0001



VIA CERTIFIED MAIL

March 3, 2015

REF: Attached letter of February 3, 2015 to the Civil Rights & Civil Liberties Complaints Division and FQOTQ Report of Fraud, Waste and Abuse Involving the FDA, HHS and SBA

Dear Inspector General Horowitz:

The purpose of this letter is to inform you of the recent decision by Mr. Michael T. Gavin, Acting Assistant Director of the Criminal Investigation Division of the Federal Bureau of Investigation (FBI) not to investigate our complaints of widespread fraud, waste and abuse at the Food and Drug Administration (FDA) and the Department of Health and Human Services (HHS).

In his letter Mr. Gavin states that the Small Business Administration (SBA) and HHS failed to substantiate the claims made by our small company against the FDA. Please be advised that these are the very same agencies responsible for the fraud, waste and abuse in the FoodQuestTQ matter in the first place. It is our experience that agencies of the U.S. Government guilty of felonious conduct seldom proclaim their own guilt.

In requesting an investigation, we provided the FBI with the most comprehensive and detailed report of its kind demonstrating probable cause to believe that felonious crimes were and still are being committed by employees of the Federal Government against small businesses across our land. The report, prepared at the request of the FBI itself, contains hundreds of pages of evidentiary exhibits demonstrating that felonious crimes were and still are being committed by U.S. Government officials.

We have enclosed a copy of the report prepared for the FBI with this letter for your personal perusal and careful consideration. The report is supported by a computerized library of hundreds of evidentiary documents. Please be advised that the FBI in reaching their determination not to investigate this matter failed to review any of this evidence. Making a determination not to investigate without considering the evidence raises serious questions as to the integrity of the FBI in this matter. Upon contact by your office, we will provide you and your staff with an electronic copy of the computerized library for you to consider as you independently investigate this matter.

In summary, the report provided to the FBI shows that the investigation of our complaint is, in fact, a high priority for the welfare of small business throughout the United States. For example, in the matter of FoodQuestTQ, there is overwhelming evidence that felonious crimes including intentional criminal acts by U.S. Government employees to evade Article I and Amendment V of the United States Constitution and the laws of the United States took place. There is evidence that the scheme is part of widespread systemic fraud by the U.S. Government itself to misappropriate the intellectual property of small businesses throughout the nation. In the matter of FoodQuestTQ alone, the report provides an

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independent valuation of the FoodQuestTQ misappropriated technology in the hundreds of millions of dollars. Moreover, the report shows that the actions of the FDA, HHS and SBA are designed to intentionally circumvent procurement and procurement integrity law, intellectual property law and the intent of the anti-competitive provisions of Sherman anti-trust law in their dealings with small businesses. Additional examples showing a widespread pattern of fraud by the U.S. Government to misappropriate the intellectual property of small businesses will be made available to you and your staff to assist your independent investigation of this matter.

I am a 30 year veteran of the civil service who retired in 2004 from the Department of Energy (DOE). During the first half of my career I was involved in complex investigations. I served as a highly cleared investigator. I served as a Deputy Assistant Federal Marshal and conducted complex counter-terrorist assessments and investigations involving nuclear weapons installations in the U.S. and across the globe. This experience has served me well in preparing the most comprehensive criminal report of its kind on the fraud, waste and abuse taking place at the SBA, FDA and HHS. During the last half of my 30 year career with the U.S. Government, I served in senior U.S. Government positions that required extensive working knowledge of procurement and procurement integrity law, intellectual property law and the lawful transfer of technology between the Federal Government, its' contracted agents and the private sector. I know based on this firsthand experience that our reports of fraud waste and abuse to the FBI represent the highest priority for investigation.

So, the real question that lies before you as the Inspector General of the U.S. Department of Justice is: What external and internal political influences have been applied to and within the FBI to unduly influence the agency's proper role as an independent law enforcement agency with the responsibility to investigate fraud, waste and abuse?

We close with the following thoughts of Bastiat in The Law:

And when [law] has exceeded its proper functions, it has not done so merely in some inconsequential and debatable matters. The law has gone further than this; it has acted in direct opposition to its own purpose. The law has been used to destroy its own objective: it has been applied to annihilating the justice that it was supposed to maintain; to limiting and destroying rights which its real purpose was to respect. The law has placed the collective force at the disposal of the unscrupulous who wish, without risk, to exploit the person, liberty, and property of others. It has converted plunder into a right, in order to protect plunder. And it has converted lawful defense into a crime, in order to punish lawful defense.

Sincerely yours,



John H. Hnatio, Ed.D., Ph.D.
Chief Science Officer

cc: Michael Gavin, FBI
Margaret Hamburg, FDA
Sylvia-Matthews Burwell, HHS
Brian Castro, SBA
Representative Chris Van Hollen, U.S. Congress

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