



THE INSTITUTE FOR COMPLEXITY MANAGEMENT
Making the complex simple
April 28, 2016

BY E-MAIL

Dear Congressman Van Hollen:

I am writing this letter to you because my request to meet with you personally was denied. I was told that your Chief of Staff wanted to wait to hear from Director Comey at the FBI before agreeing to allow me to speak with you. Enclosed with this letter please find a copy of my CV which provides my background and experience in the matters that I have and continue to bring to your attention.

BACKGROUND

I was an entrepreneur who started a small business to commercialize a revolutionary technology that used massive amounts of data, i.e., big data, and applied computer analytics to project and prevent adverse events. Today, the technology, known as “predictive analytics”, has grown to an estimated market value of over \$2.5 billion dollars annually. I believed so strongly in my idea that I spent my entire retirement and invested millions of dollars in sweat equity and venture capital investment to build an operating system that would protect the American food supply.

It was not long, however, before my small company became the victim of unfair U.S. Government competition. In 2012, I discovered that the Food and Drug Administration (FDA) was engaged in a fraudulent scheme to reverse engineer and duplicate my technology. To do this, FDA charged their prime contractor, Battelle Memorial Institute, to work with the Department of Defense using taxpayer dollars to reproduce our predictive analytic food safety software. This same government contractor has since made hundreds of millions of dollars using the technology they originally misappropriated from my company.

I reported the matter to the Chief Counsel of the FDA. The matter was later referred to the Office of General Counsel (OGC) of the Department of Health and Human Services (DHHS) for resolution. But their original promise of a good faith inquiry quickly turned into a criminal defense of the very FDA employees involved in taking my technology in the first place and then black balling our small company throughout the food industry. The OGC-DHHS then published a bogus report to cover up the FDA’s actions.

I subsequently served affidavits of truth, pursuant to the Uniform Commercial Code (UCC), on the Acting Commissioner of the FDA, Dr. Stephen Ostroff and Dr. Jeffrey Wadsworth, President and CEO of Battelle Memorial Institute. In both cases, these individuals conceded guilt by failing to rebut the allegations of wrongdoing lodged against them. According to the law these affidavits of truth become dispositive in any subsequent legal proceeding.

13706 Unionville Road, Union Bridge, Maryland 21791 Telephone 301-606-9403

REDACTED VERSION FOR PUBLIC RELEASE ON 9-26-2016

Last summer, with your support, we submitted a proposal to the Office of Justice Programs (OJP) to deploy our predictive analytic software to schools across the nation. In the fall of last year we were informed that our proposal was rejected by OJP. Just weeks after we learned our proposal was rejected by OJP we received an e-mail from the Maryland Emergency Management Agency telling us that our software for school safety was on an OJP website being given away to schools across the country. Prior to submitting our proposal to OJP we sent a separate school safety proposal to the philanthropic arm of Lockheed Martin. It turns out that Lockheed Martin is one of the prime contractors to OJP. “Who’d a thunk?” Lightning striking twice in the same place!

In a case of *deja vous* my request for a thorough and independent investigation by the DOJ-IG was denied and the matter was instead referred to the OGC-OJP. I vigorously protested this abdication of responsibility by the DHHS IG but to no avail. I was informed about the results of an “investigation” by the same organization alleged guilty of the wrongdoing in the first place that declared themselves innocent. History repeated itself.

In response to these actions by the U.S. Government, I recently filed a Freedom of Information Act (FOIA) request with the Department of Justice (DOJ) and the Federal Bureau of Investigation (FBI) asking for all documents on my cases and two other cases like it where I have assisted small businesses that have had their ideas and trade secrets taken away from them by the U.S. Government in collusion with their large contractors.

IMPLICATIONS

My FOIA request to the Department of Justice (DOJ) exposes a complete breakdown in our system of justice that begins with the FBI’s failure to investigate criminal RICO conduct of other federal agencies. This behavior by the FBI raises serious questions about the independence of Director Comey from undue political influence by the Administration in the execution of his responsibilities. Without equal enforcement of the law our system of justice becomes corrupted allowing the government to use the law as an instrument to oppress the people.

In my case, this corruption has allowed federal agencies and their large contractors to violate the Constitutional principles upon which our country was founded. The patent and copyright clause of Article I of the Constitution was violated by the FDA in collusion with their prime contractor Battelle Memorial Institute when they misappropriated my ideas and trade secrets. Amendment IV of the Constitution is supposed to guarantee against the unlawful seizure of a citizen’s property. Yet the FDA was allowed to misappropriate my ideas and trade secrets because the FBI turned a blind eye to the conduct of a fellow federal agency and refused to investigate the matter. Amendment V of the Constitution, i.e., the takings clause, is supposed to guarantee fair remuneration for property confiscated by the government from a citizen. In my case, however, without the enforcement of the law by the FBI and the DOJ my Amendment V guarantees were rendered meaningless.

After my company was driven out of business by the U.S. Government, I decided to spend my retirement years dedicated to two tasks. I established a non-profit charitable organization to help other small business victims of unfair government competition and to use

my predictive analytic technology to make schools safer. In the first instance, I found that the U.S. Government was engaged in the widespread misappropriation of the valuable ideas and trade secrets from small businesses as part of systemic scheme. The scheme works like this. The U.S. Government baits small businesses to share their ideas and trade secrets with promises of grant funding and then misappropriates their valuable intellectual property. The government then turns to their large contractors to reverse engineer and duplicate the small business' products using congressionally appropriated funds. The duplicated products are then given away by the government for free and later exploited by their contractors for commercial profit. The end result is that the small business victims of the scheme are driven out of business as their sales fail to materialize.

The scheme is complimented by the very U.S. Government organizations that are sworn to protect against such unconstitutional conduct. In our case, the DHHS-OGC engaged in a direct conflict of interest prohibited by government integrity laws to conduct a bogus investigation for the purpose of declaring themselves innocent. What was supposed to be a good faith inquiry by DHHS turned into the criminal defense of the U.S. Government employees guilty of the wrongdoing in the first place. The scheme was further complemented by the actions of the government to force the resolution of the matter down the narrow legal pathway of patent infringement to "wear out" small companies who dare to complain about the injustice they are being forced to endure. U.S. Government counsels know, based on many years' experience running the scam, that small businesses cannot afford drawn out and expensive patent litigation and in the end simply go away licking their injuries.

Also in our case, we contacted the National Ombudsman for Small Business who was politically impotent to do anything about our complaints. He stood by while the DHHS and the FDA blackballed us throughout the food industry in reprisal for our complaints and as the DHHS and FDA spoliated all evidence of their own wrongdoing. Finally, in an effort to get rid of the political "hot potato" he referred the matter to the DHHS IG for investigation. His actions were nothing but a sham and intended only to protect himself. Of course, the DHHS-IG never investigated in spite of our repeated requests.

These very same criminal RICO patterns of conduct appear as part of the other cases I have investigated, namely: 1) requests for independent IG investigations are invariably referred agency offices of the general counsel; 2) agency offices of the general counsel engage in direct and actual conflicts of interest to conduct their own bogus investigations designed to conclude that the agency is innocent of all wrongdoing; 3) agency offices of the general counsel simultaneously mount criminal defenses for their employee's allegedly involved in the criminal RICO conduct; 4) the agency offices of the general counsel force any possible resolution of the matter down the narrow time consuming and costly legal pathway of patent infringement, and; 5) all requests for DOJ and FBI investigations are ignored.

CONCLUSIONS

In his earlier letter to you written on behalf of Director Comey, Mr. Michael Gavin, Director of the Criminal Division, condoned the above criminal RICO conduct when he advised you that he did not have the time to investigate our case because the very people alleged to be

13706 Unionville Road, Union Bridge, Maryland 21791 Telephone 301-606-9403

REDACTED VERSION FOR PUBLIC RELEASE ON 9-26-2016

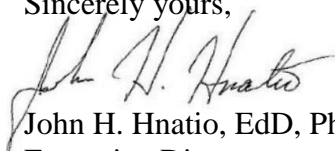
guilty of the wrongdoing in the first place had already declared themselves innocent. Mr. Gavin's response was intentionally misleading and irresponsible.

I have attached a comprehensive report that I prepared at the specific request of FBI Special Agent [redacted] and presented directly to the DOJ and the FBI. I can provide you with the computer library of the hundreds of exhibits that were provided to the FBI if you wish to review them. Mr. Gavin failed to reference this report and the hundreds of pieces of evidence provided to the FBI as he misled you stating that no investigation was necessary in our case. As you can see from my attached CV I have significant experience in conducting complex investigations. My career included duty as a federal law enforcement official who has significant experience rooting out fraud, waste and abuse in the federal government. Mr. Gavin is not to be trusted.

As you can see from the nature of my FOIA request the FBI and their parent agency DOJ have proven themselves to be members of a larger criminal RICO enterprise. Their role as a member of the enterprise is to turn a blind eye to the investigation of corruption in other federal agencies. My FOIA request details over 100 contacts to the DOJ and the FBI requesting an investigation of the corruption. Until you wrote your letter to Mr. Comey, not one of these requests was even acknowledged by either DOJ or the FBI. Our system of justice in the United States is no longer to be trusted.

Finally, I am afraid that waiting for a self-declaration of innocence from Director Comey at this point serves no useful purpose. What needs to happen is for congress to appoint a special prosecutor with the charter and authority to independently investigate the activities of both the DOJ and the FBI in obstructing justice by turning a blind eye to the investigation of overwhelming evidence of government fraud, waste and abuse by their fellow federal agencies. As the attached report and others like it provided to the FBI demonstrate, the DOJ and the FBI have failed our system of justice and with it the American people.

Sincerely yours,




John H. Hnatio, EdD, PhD
Executive Director

cc w/attach's:

Director Comey, FBI

Post Script: September 26, 2016. Representative Van Hollen never responded to this letter. Weeks after the fact, Ms. Lillian Cruz of Representative Van Hollen's staff advised me that they were still considering my numerous letters including our request that a GAO investigation be initiated. We have not heard a word from Representative Van Hollen since. He still refuses to meet with us.



9-26-2016

13706 Unionville Road, Union Bridge, Maryland 21791 Telephone 301-606-9403