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Three admirals forced out in Navy bribery scandal

<http://www.latimes.com/local/lanow/la-me-ln-three-admirals-scandal-20150210-story.html>



Navy ship Blue Ridge, command ship of the 7th Fleet based in Japan, was one of the ships redirected to a specific port to benefit a contractor who was paying bribes, prosecutors allege. (U.S. Navy)

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Asia Armed Forces United States Naval Academy

Three Navy admirals have been censured by the secretary of the Navy for “poor judgment and a failure of leadership” linked to a bribery scandal that federal prosecutors say cost taxpayers \$20 million, the Navy announced Tuesday.

The three are retiring, the Navy said.

“Censure was both necessary and appropriate,” said Navy Secretary Ray Mabus. “I have now received the retirement of all three officers, and we will process them appropriately.”



Navy captain admits providing classified information as part of bribery scheme:

<http://www.latimes.com/local/lanow/la-me-ln-navy-captain-bribery-20150115-story.html>

The officers, all rear admirals, are:

- + Michael Miller, who was the commander of Carrier Strike Group 7 and recently was a special assistant to the superintendent of the U.S. Naval Academy.
- + Terry Kraft, who was commander of the carrier Ronald Reagan and recently commander of U.S. Naval Forces in Japan.
- + David Pimpo, who was supply officer aboard the Reagan and recently commander of Naval Supply Systems Command, Weapons Systems Support.

Nothing in the Navy statement suggests the three will face criminal charges.

The letters of censure were issued “to ensure that individuals are held appropriately accountable when less-than-criminal allegations are substantiated,” the Navy said in a statement. The three “improperly accepted gifts from a prohibited source,” including dinners, and two of the admirals “improperly endorsed a commercial business,” when deployed to the 7th Fleet area of responsibility, the Navy said.

The Navy anticipates that federal prosecutors will “refer additional cases to the Navy for review and disposition,” including possible punishment.

Nine people have been indicted in a scandal involving leaking inside information about the movement of Navy ships to assist a Singapore-based firm that provides services to ships in Asia-Pacific ports.

The figure at the center of the scandal, Leonard Glenn Francis, has pleaded guilty in San Diego federal court to bribing Navy officers and civilians with cash, first-class hotel and air reservations, and the services of prostitutes. He was known for throwing lavish parties for officers at his Singapore mansion.

Also pleading guilty have been a Navy captain; a commander; a retired lieutenant commander; an enlisted sailor; an ex-Naval Criminal Investigative Service agent, and a cousin of Francis' who worked for his company. All await sentencing in San Diego federal court.

A second commander and former high-ranking Navy civilian have pleaded not guilty.

For more than two decades, Francis' firm supplied water, fuel, food, garbage and waste removal, tugboats, fenders and other

items for Navy ships. Amid the scandal, the Navy has canceled all contracts with the firm.

The actions of the three admirals occurred in 2006 and 2007, the Navy said.

“All Navy officers, particularly our senior leadership in positions of unique trust and responsibility, must uphold and be held to the highest standards of personal and professional behavior,” Mabus said.

In 2010, Navy officials became suspicious that some of the bills submitted by Francis' firm from Thailand had been padded. Prosecutors said the bribery scheme cost taxpayers \$20 million for bills that were padded and, in some cases, included payment for services not provided. The cost of parties thrown by Francis for Navy officers was often hidden in the bills, prosecutors said. "The investigation is far from over," said Andrew Traver, director of the Naval Criminal Investigation Service. "NCIS will follow the evidence wherever it leads."