

CITY OF NEW YORK  
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NEWS RELEASE  
June 28, 2002

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**Salesman Indicted for Bribery and Submitting False Bids in Connection with a BOE Purchase**

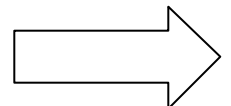
**President of Office Equipment Company Pleads Guilty to Felony Antitrust Violation  
And Company Agrees to Pay \$400,000 in Civil Penalties**

Rose Gill Hearn, Commissioner of the New York City Department of Investigation (DOI), and Eliot L. Spitzer, New York State Attorney General, today announce the findings of a year-long joint investigation conducted by the Office of the Special Commissioner of Investigation for the New York City School District (SCI) and the Attorney General's Office (AG), which has resulted in two criminal cases.

The investigation into Copy World of America, Inc., a Board of Education (BOE) vendor which was later purchased by Candle Business Systems Inc., of Bohemia, New York, was initiated by SCI and later was joined by the AG's Office. The investigation began when a Community School District Superintendent reported to SCI that a Copy World salesman, Abraham Thomas, had offered a bribe to get the district to expend BOE funds and purchase duplicators from him. With the assistance of district personnel, the Special Commissioner's investigators caught the corrupt salesman on videotape offering a bribe and false bids to close the deal. As a result, Copy World/Candle salesman Abraham Thomas was arrested on a five-count indictment issued by a Queens Grand Jury in April.

The investigation then expanded into a year-long inquiry by SCI and the AG of anti-competitive practices by Copy World/Candle, which culminated in a criminal plea and civil settlement. Joseph P. Weiss, the President of Candle Business Systems Inc., one of the New York metropolitan area's largest office equipment dealers, pleaded guilty to felony antitrust charges and admitted that he agreed with another office equipment dealer not to compete for customers. A civil suit filed by Attorney General Spitzer was resolved when Candle agreed to pay \$400,000 in penalties and costs. The company also consented to abide by a court order barring similar misconduct in the future. A portion of the \$400,000 penalty will go to the City/BOE to pay for the costs incurred by the Special Commissioner's Office in conducting the investigation. Another part will cover the Attorney General's costs.

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Commissioner Gill Hearn said: “Every available dollar needs to be earmarked for the City’s schoolchildren. This case puts would-be corrupt vendors on notice that we will not let them line their pockets with money that belongs in the classroom.”

Attorney General Spitzer said: “Competition is the life blood of our economy. When businesses agree not to compete against each other, prices go up and consumers lose. My office will pursue, and sanction, those who engage in such illegal conduct.”

In conjunction with today’s announcement, the Offices of the Special Commissioner and the Attorney General issued recommendations to improve procurement practices within the BOE and other local government agencies.

The investigation was begun by the late Edward F. Stancik, DOI’s Special Commissioner of Investigation for the New York City School District, and continued under Acting Special Commissioner Regina A. Loughran. Special Counsel Vicki Multer Diamond and Deputy Chief Investigator Thomas Comiskey conducted the investigation for the Office of the Special Commissioner, with Assistant Attorneys General Lesley Brovner of the Criminal Prosecutions Bureau and David Weinstein of the Antitrust Bureau representing the Attorney General’s Office.