

## FEDERAL BUREAU OF INVESTIGATION

Reporting Office <b>San Francisco</b>	Office of Origin <b>San Francisco</b>	Date <b>12/30/82</b>	Investigative Period <b>7/16/82 - 12/17/82</b>
Title of Case <b>CHANGED</b>		Report made by <b>[REDACTED]</b>	Typed By: <b>jaa</b>
<b>[REDACTED], DBA</b> <b>SCIENTIFIC CUSTOM METAL PRODUCTS, INC.,</b> <b>AND TWO SUN'S MANUFACTURING, INC.;</b> <b>[REDACTED] DBA</b> <b>SCIENTIFIC CUSTOM METAL PRODUCTS, INC.,</b> <b>AND S &amp; S PRECISION INC.;</b> <b>[REDACTED] DBA</b> <b>S. &amp; S PRECISION, INC.,</b> <b>[REDACTED] DBA</b> <b>TWO SUN'S MANUFACTURING, INC.,</b> <b>[REDACTED] DBA</b> <b>(NORTHWEST CONSULTANTS,</b> <b>[REDACTED] DBA</b> <b>(MANAGERIAL MANPOWER CONSULTANTS;</b> <b>[REDACTED] DBA</b> <b>(MATTHEWS CONSULTING SERVICE;</b> <b>[REDACTED] DBA</b> <b>(ALPINE ENTERPRISES</b> <b>FRAUD BY WIRE; MAIL FRAUD;</b> <b>POSSIBLE CONSPIRACY (B)</b> <b>OO: SAN FRANCISCO</b>		<b>Character of Case</b> <b>FRAUD BY WIRE; MAIL FRAUD</b> <b>POSSIBLE CONSPIRACY</b> <b>SUMMARY</b> <b>Supplement to Prosecutive Report</b> <b>dated 6/30/82</b>	

References: San Francisco report of SA **[REDACTED]**  
dated 6/30/82

Approved <b>RSG/STH</b>	Special Agent in Charge	Do not write in spaces below	
Copies made: <b>2 CC DOJ (CRIM DIV)</b> <b>6CS</b>		<b>196-1915-11</b>	<b>DE-127</b>
<b>4 - Bureau 1-18-83</b> <b>(2 - Criminal Division, USDJ)</b> <b>2 - USA, San Francisco</b> <b>(Attn: AUSA [REDACTED])</b> <b>(Attn: AUSA [REDACTED] Chief</b> <b>Criminal Division)</b> <b>2 - San Francisco (196B-808)</b>		<b>15 JAN 18 1983</b>	
Notations:			

57 JAN 24 1983



## FEDERAL BUREAU OF INVESTIGATION

THIS REPORT SUPPLEMENTS THE JUNE 30, 1982

### PROSECUTIVE REPORT OF INVESTIGATION CONCERNING

[REDACTED], DBA  
SCIENTIFIC CUSTOM METAL PRODUCTS, INC.,  
AND TWO SUN'S MANUFACTURING, INC.;

[REDACTED] DBA  
SCIENTIFIC CUSTOM METAL PRODUCTS, INC.  
AND S & S PRECISION, INC.;

[REDACTED] DBA  
S & S PRECISION, INC.;

[REDACTED] DBA  
TWO SUN'S MANUFACTURING, INC.;

[REDACTED] DBA  
NORTHWEST CONSULTANTS;

[REDACTED] DBA  
MANAGERIAL MANPOWER CONSULTANTS;

[REDACTED] DBA  
MATTHEWS CONSULTING SERVICE;

[REDACTED]  
ALPINE ENTERPRISES  
FRAUD BY WIRE; MAIL FRAUD;  
POSSIBLE CONSPIRACY  
OO: SAN FRANCISCO

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2 Copies To United States Attorney, San Francisco

~~xxxx~~ 1 - AUSA [redacted] San Jose, Calif.  
1 - AUSA [redacted] Chief, Criminal Division, San Francisco, Ca.

Report of: SA [redacted]  
Date: 12/30/82

Office: San Francisco

Field Office File #: 196B-808

Bureau File #: 196-1915

Narrative of Offense: The purpose of this report is to supplement the report previously submitted and dated 6/30/82. This report sets forth prosecutive contacts with AUSA [redacted] and investigation conducted since July, 1982. The 6/30/82 report set forth the background for the predication of this investigation as well as specific evidence developed concerning individual defendants [redacted]

[redacted] and [redacted] and their respective businesses. The 6/30/82 report details allegations and evidence concerning a case that buyers of major manufacturing firms in "Silicon Valley" demanded and received kickbacks from vendors in exchange for the award of manufacturing subcontracts using the telephone and the U.S. Mail in the furtherance of their scheme.

This report sets forth a number of [redacted]  
[redacted] from Subpoenaed [redacted]  
to assist the U.S. Attorney in determining the [redacted]

The [redacted] 1982 report furnished [redacted]  
[redacted]  
prosecution or defense of this case. This [redacted]  
listing by an [redacted]

This report substantially supplements the investigation previously reported concerning [redacted] doing business as [redacted] [redacted] for [redacted] concluded that [redacted] was received from [redacted] from other sources. These funds totaling [redacted] were kickback payments in the period October 7, 1977 through April 28, 1982.

C

SF 196B-808  
HJM/cad

Enclosed for Assistant U.S. Attorney [redacted] are  
the following described documents. Some documents are noted as  
having been personally furnished to AUSA [redacted] on the dates designated:

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SF 196B-808  
JWR/cad

The following investigation was conducted by  
SA [REDACTED]

On September 27, 1982, as a result of instructions from Assistant Special Agent in Charge (ASAC) JOHN GIAQUINTO and Supervisor [REDACTED], a schedule was prepared concerning violations of mail fraud, wire fraud, conspiracy and [REDACTED] on the part of Subjects [REDACTED] and [REDACTED]. This schedule consisted of two pages which indicated the specific evidence and witnesses and violations involved in this investigation. This schedule is to be presented to the U.S. Attorney at a later date.

## FEDERAL BUREAU OF INVESTIGATION

Date of transcription 12/28/821

A schedule was prepared concerning violations of Mail Fraud, Wire Fraud, Conspiracy, and Racketeering Influence and Corrupt Organization (RICO) on the part of [REDACTED]. This schedule was [REDACTED] through a Federal Grand Jury. The schedule consisting of two pages was presented to Assistant U.S. Attorney [REDACTED] on October 5, 1982.

b3

Investigation on 10/5/82 at Palo Alto, Calif. File # SF 196B-808  
by SA [REDACTED]/cad Date dictated 10/5/82

b6  
b7C

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## FEDERAL BUREAU OF INVESTIGATION

Date of transcription 7/27/82

On [redacted] 1982, the subpoenaed records of [redacted]  
[redacted]  
Clara, California were examined.

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Investigation on 7/27/82 at Palo Alto, California File # SF 196B-808  
by ACCOUNTING TECHNICIAN [redacted] JR/dma Date dictated 7/27/82  
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POTENTIAL DEFENDANTS

The following individuals have been developed as potential defendants based upon allegations that they have requested or received kickbacks or bribes.

A. Buyers

1. [REDACTED], described as:

Race	White
Sex	Male
Date of Birth	[REDACTED]
Place of Birth	[REDACTED]
Height	[REDACTED]
Weight	[REDACTED]
Eyes	[REDACTED]
Hair	[REDACTED]
Marital Status	[REDACTED]
Spouse	[REDACTED]
SSAN	[REDACTED]
California driver's license number	[REDACTED]
Self-employment	[REDACTED]
Employment	Santa Cruz, California [REDACTED] Employed as a buyer for Quantor Corporation [REDACTED] Employed as a purchasing manager for Macrometics Corporation [REDACTED] Employed as a purchasing manager for Hill Manufacturing, Inc. [REDACTED] General Shop manager for Intrepid Enterprises [REDACTED] 1980 - [REDACTED] 1981 - Employed as a buyer for Acurex [REDACTED]
Current address	[REDACTED]
Former address	[REDACTED] San Jose, California

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2. [ ] described as:

Current employment [ ] Linden Associates  
Seattle, Washington  
Former employment [ ] Advance Technology  
Laboratories, Inc.  
13208 Northrup Way  
Bellevue, Washington

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3. [ ] described as:

Full name	[ ]
Race	White
Sex	Male
Date of Birth	[ ]
Height	[ ]
Weight	[ ]
SSAN	[ ]
California driver's license number	[ ]
Employed	Self-employed, doing business with Contigo Industries, San Jose, California <sup>b6</sup> Self-employed, doing business as <sup>b7C</sup> D. S. Associates
Previous employment	Ramteck
Prior employment	Data Disk Sunnyvale, California
Employed	[ ] 1974 - [ ] 1977 - Employed as a senior purchasing agent for Ramteck; [ ] 1968 - [ ] 1974 - Employed as Shipping Supervisor for Amcorp Corporation; [ ] 1979 - [ ], 1980 - Employed as a buyer for Acurex
Residence	[ ] San Jose, California

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4. [redacted] described as:

Race	White
Sex	Male
Date of Birth	[redacted]
Place of Birth	[redacted] Ohio
Height	[redacted]
Weight	[redacted]
Eyes	[redacted]
Hair	[redacted]
California driver's license number	[redacted]
SSAN	[redacted]
Marital Status	Married
Wife	[redacted]
Current employment	Parts Limited 120 East South Street Boulder, Colorado
Former employment/ business	[redacted] P.M. Communications between [redacted] 1979 and [redacted] 1980 with [redacted] located at 2640 - 17th Avenue, #6, Santa Cruz, California, telephone (408) 475-9302.
Residence	[redacted]
Former residence	[redacted] California [redacted] California

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5. [ ] described as:

Full name	[ ]
Sex	Female
Race	Caucasian
Marital Status	Divorced
Former Husbands	[ ]
Children	[ ]
Current employment	Purchasing Agent, Dastek Corporation 131 Albright Way Los Gatos, California
Former employment	Senior Buyer Tab Products Forms Handling Equipment Division San Jose, California from [ ] 1973 through [ ] 1979
Residence	[ ] [ ] [ ] California
Residence phone #	[ ]



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6. [redacted] described as:

Full name	[redacted]
Date of Birth	[redacted]
Citizenship	United States
Social Security Account Number	[redacted]
Marital Status	Single
Ex-Wife	[redacted]
	[redacted] California
Education	Obtained a B.S. degree in 1962 from San Diego State University
Residence	[redacted] San Jose, California
Dates of Employment at Amdahl	Hired [redacted] 1980 and terminated [redacted] 1982
Duties at Amdahl	Senior buyer responsible for purchasing machinery castings, hardware and plastic fabricated parts for Amdahl
Supervisor at Amdahl	[redacted]
Current employer	Memorex Corporation
Prior employments	[redacted] 1976 - [redacted] 1977 - Senior buyer for Quantor; [redacted] 1977 - [redacted] 1979 - Materials Manager at Adcotech 575 Maude Court Sunnyvale, California [redacted] 1979 - [redacted] 1979 - Senior buyer at Atari. Supervised by [redacted] [redacted] 1979 - [redacted] 1980 - Senior buyer at C.D.I.

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7. [REDACTED], described as:

Full name	[REDACTED]
Race	White
Sex	Male
Date of Birth	[REDACTED]
Height	[REDACTED]
Weight	[REDACTED]
Hair	[REDACTED]
Eyes	[REDACTED]
California driver's license number	[REDACTED]
Employment	Memorex Corporation Santa Clara, California as a buyer
Address	[REDACTED] [REDACTED] California

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8. [ ] described as:

Full name

Race

Sex

Date of Birth

Height

Weight

Hair

Eyes

California driver's  
license number

Employment

Address

[ ]  
White

Male

[ ]  
Memorex Corporation  
Santa Clara, California  
as a buyer

[ ]  
San Jose, California

b6  
b7C

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9. [REDACTED], described as:

Full name	[REDACTED]
Race	White
Sex	Male
Date of Birth	[REDACTED]
Height	[REDACTED]
Weight	[REDACTED]
Eyes	[REDACTED]
Hair	[REDACTED]
California driver's license number	[REDACTED]
Employment	Has been employed as a buyer for Zilog, Inc., Campbell, California, since 1978
Residence	[REDACTED] San Jose, California

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10. [redacted] described as:

Full name

[redacted]

Race

White

Sex

Male

Date of Birth

Height

Weight

Hair

Eyes

California driver's  
license number

Employment

[redacted]  
Has been employed by Zilog, Inc.  
Campbell, California, since 1980  
as a buver

Address

[redacted]  
San Jose, California

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b7C

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11. [ ] described as:

Full name

[ ]

Race

White

Sex

Male

Date of Birth

Height

Weight

Hair

Eyes

California driver's  
license number

Employment

Has been employed by Zilog, Inc.  
Campbell, California, since 1978  
as [ ] to Zilog's buyers

Address

[ ]  
Hollister, California

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HJM/cad

12. [redacted] described as:

Full name	[redacted]
Race	White
Sex	Male
Date of Birth	[redacted]
Height	[redacted]
Weight	[redacted]
Eyes	[redacted]
Hair	[redacted]
California driver's license number	[redacted]
Employment	Cobilt in 1979 and 1980
Residence	[redacted] Santa Clara, California

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HJM/cad

13. [ ] described as:

Full name

[ ]

Race

White

Sex

Male

Date of Birth

Height

Weight

Eyes

Hair

California driver's  
license number

Employment

Currently employed as a buyer of Castings  
at Kaiser Aerospace in Oakland,  
California area;  
Formerly employed as a Senior buyer for  
Applied Materials in the period

Address

[ ] 1979 - [ ] 1980  
[ ]  
[ ] California

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HJM/jaa

B. VENDORS

1. [REDACTED]  
Cooley Associates  
867 Edgewood Road  
Redwood City, Ca.
2. [REDACTED]  
Hamilton Manufacturing  
1928 Hartog Drive  
San Jose, Ca.
3. [REDACTED]  
Electronic Sales and Products  
1474 Frontero Road,  
Los Altos, Calif.
4. [REDACTED]  
Electronic Metal Products Inc.  
3485 Victor Street  
Santa Clara, Ca.
5. [REDACTED]  
Multilayers Incorporated  
62 Bonaventura Drive  
San Jose, Calif.
6. [REDACTED]  
Peninsula Machine  
2475 Autumvale Drive  
San Jose, Calif.
7. [REDACTED]  
Dependable Precision Mfg.  
446 Roberts  
Santa Clara, Calif.

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8. [redacted] dba  
R & B Products  
3563 Peak Drive  
San Jose, Calif.
9. [redacted] dba  
Fast Sheet Metal Inc.  
3355 Woodward Avenue  
Santa Clara, Calif.
10. [redacted] dba  
Tempco  
8866 Laurel Canyon Blvd.  
Sun Valley, Calif.
11. [redacted] dba  
Plastic Products Mfg.  
1724 Junction Avenue  
San Jose, Calif.
12. [redacted] dba  
Assemco  
174 Commercial Street  
Sunnyvale, California
13. [redacted] dba  
Excelfab  
1020 Morse Avenue  
Sunnyvale, California

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JWR/cad

PROSECUTIVE STATUS

Since referenced report dated June 30, 1982, the following contacts, discussions, and arrangements have been made between the FBI and Assistant U.S. Attorney [redacted]

On August 17, 1982, Assistant U.S. Attorney (AUSA) [redacted] advised that [redacted] Attorney for [redacted] Inc., contacted him and advised him that he was going on vacation until the end of August and at the end of August, he would be able to review the Grand Jury subpoena directed to his clients. [redacted] advised that he reluctantly told [redacted] that he would give him additional time to turn over [redacted] AUSA [redacted] also advised that he was contacted by [redacted] attorney for [redacted] and [redacted] advised that he wanted to make [redacted] to the FBI and so [redacted] gave him an extension on the subpoena time until [redacted] 1982.

AUSA [redacted] was advised at this time of SA [redacted] contact with [redacted] 1982 and a meeting was set for SA [redacted] and Accounting Technician [redacted] scheduled for August 18, 1982. This meeting was arranged for [redacted] to review schedules that have been prepared by Accounting Technician [redacted] and further discussion of prosecution strategy.

On August 18, 1982, SA [redacted] and Accounting Technician [redacted] met with AUSA [redacted] was shown schedules prepared by the FBI concerning accounts of [redacted] and [redacted] advised that they were helpful and well done. [redacted] advised that [redacted] should continue with the same type of schedule for [redacted].

On September 13, 1982, AUSA [redacted] was advised that the Internal Revenue Service (IRS) approved continued joint FBI investigation with the Grand Jury concerning this overall investigation.

On October 1, 1982, Supervisor [redacted] met with AUSA [redacted] concerning the need to give this investigation more specific direction in an effort to minimize further commitment of investigative time. [redacted] advised that he would discuss with Chief AUSA [redacted] the addition of another AUSA in order to give this case specific direction.

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On October 5, 1982, three schedules depicting kickbacks received from various vendors of Atari to buyers at Atari, namely [redacted] were delivered to Assistant U.S. Attorney WARD's office.

On October 14, 1982, AUSA [redacted] AUSA [redacted] [redacted] and SAs [redacted] and [redacted] met. Among other things, the following items were discussed:

AUSA [redacted] was provided with basic background information of the overall investigation of this case inasmuch as it was decided that he would assist AUSA [redacted] concerning the prosecution.

AUSA [redacted] and AUSA [redacted] were provided with a schedule listing proposed specific counts against [redacted]. It was decided that more specific direction would be afforded by the AUSA's office and that additional information requested by their office would be confirmed in writing.

AUSA [redacted] requested a schedule of all payments made to [redacted] while he was employed by Four Phase Systems and copies of all checks and invoices which were listed in schedules of payments received by Northwest Consultants, Matthew's Consulting Service, and Managerial Manpower Consultants.

AUSA [redacted] advised that regarding RICO violations, the Justice Department is reluctant to enter into these investigations when they are unsure of the Subject's assets. He advised that [redacted] of IRS would perhaps be in a better position to determine the assets of Managerial Manpower Consultants and that a [redacted] investigation could be further discussed.

By letter dated October 15, 1982, AUSA [redacted] requested the following material:

1. Schedule of all [redacted] doing business as MMC while he was employed by Four Phase Systems.

2. Copies of all checks and invoices which were listed on schedules of payments to MMC, Northwest Consultants, and Matthew's Consulting.

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JWR/cad

3. All documents reflecting sales to Atari (or Four Phase) shown on these schedules including a) entries in cash receipt journals, b) invoices, c) underlying contracts. The letter requested that items one and two be provided by October 20, 1982 and concerning item three, that the Agents be prepared to discuss the ability to produce this material.

On October 21, 1982, SA [ ] and Accounting Technician [ ] AUSA [ ] and AUSA [ ] met at the USA's office. The AUSAs were provided with the following documents:

1. Copies of all subpoenaed checks and invoices paid to [ ]  
These checks were from Scientific Custom Metal Products, Two Suns Manufacturing, S & S Precision, Dependable Precision Machine, Tempco Engineering, R & B Products, Multilayers, Inc., Cooley Associates, Hamilton Manufacturing, Inc., and Peninsula Machine, Inc.

2. Also given was a schedule prepared from a review of purchase orders between Atari and Scientific Custom Metal Products and Two Suns Manufacturing. A schedule indicating purchase orders between Atari and R & B Products was also provided.

It was demonstrated to [ ] that all documents reflecting sales to Atari located in the books of the vendors that to copy all of these documents would be a voluminous task. It was pointed out to [ ] that one entry in the cash receipts journal of a vendor could represent the sum of perhaps 30 invoices for one month. It was explained that the gathering of these documents would best be done by limiting the projects to some particular months.

[ ] requested a schedule of all suspected buyers and the suspected vendors in connection with the overall investigation. He further requested copies of all documents obtained from Multilayers which substantiated the kickbacks they paid to various buyers. [ ] further requested that we obtain the name of [ ] attorney and that consideration would be given to granting him immunity in exchange for testimony.

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JWR/cad

On October 29, 1982, the following items were dropped off at AUSA [ ] office:

1. A summary of [ ] activities which would assist in the interview of [ ] attorney in an effort to request his cooperation.
2. Copies of all evidence obtained from Multilayers which was requested by AUSA [ ] on October 21, 1982.
3. Copies of schedule prepared by [ ] of all buyers and vendors involved in the overall investigation as requested by [ ] on October 21, 1982.
4. Copies of a month of sales receipts for Peninsula Machine for June of 1981.
5. [ ] of Grand Jury testimony of [ ]  
[ ]

On November 2, 1982, AUSA [ ] was advised that SA [ ] of the IRS advised that as of April, 1982, the assets of Managerial Manpower Consultants consisted of approximately \$162,000. [ ] was advised that [ ] was amenable in pursuing a [ ] investigation on [ ]

On November 8, 1982, AUSA [ ] was supplied with copies of purchase orders between Atari and Atari vendors, namely, Scientific Custom Metal Products and Two Suns Manufacturing. He was also given copies of purchase orders that were executed by [ ] during his employment at Atari.

On November 8, 1982, SA [ ] and AUSA [ ] [ ] attorney, [ ] and his assistant met in the USA's office.

[ ] advised the attorneys that the general scope of the Grand Jury's investigation was directed at buyers of larger corporations and vendors who supplied these corporations and the fact that kickbacks were being paid. [ ] specifically mentioned

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JWR/cad

that the target of the investigation was [ ] and [ ] both buyers at Atari. He advised that there were indications that [ ] involvement was not to the extent of the other buyers and that the Government had decided to solicit [ ] cooperation. [ ] advised that there was a chance of the Government granting complete immunity to [ ] or perhaps a partial immunity.

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[ ] was provided with information concerning evidence gathered against [ ] which indicated his involvement. [ ] mentioned that [ ] was introduced into the scheme by a particular vendor, which he later acknowledged as [ ] was advised that [ ] had dealings with other vendors independent of [ ] and that there was evidence to this effect. [ ] advised that he would talk with his client and would get back to the USA by the end of the week.

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HJM/jaa

ADDITIONAL WITNESSES:

In addition to the twenty individuals listed as witnesses on the 6/30/82 report (pages 21 - 28) the following individuals have been developed as witnesses:

1.

[redacted]  
Multilayers Incorporated  
62 Bonaventura Drive  
San Jose, California  
Telephone (408)

Can testify that his firm paid [redacted] dba  
Linden Associates on a [redacted]  
[redacted] had on contracts with Advance Technology  
Laboratories.

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2.

[redacted]  
[redacted] Electronic Sales Products  
1238 Elko Drive  
Sunnyvale, California  
Telephone (408) 745-1230

Can testify that while he was in partnership  
with [redacted] he did not know that [redacted] was [redacted]  
[redacted] to [redacted]  
He can testify that [redacted] was entirely responsible for the  
business matters when [redacted] was with Electronic Sales Products.

3.

[redacted]  
Tempco Engineering Inc.  
8866 Caurel Canyon Blvd.  
Sun Valley, California  
Telephone (213) 765-2118

Can testify that his firm received in the U.S.  
Mail invoices from Matthews Consulting Services and that [redacted]  
[redacted] to Matthews Consulting Service.



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4. [redacted]  
[redacted]  
[redacted]

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Provided the subpoenaed [redacted]  
[redacted]

5. [redacted]  
Excelfab  
1020 Morse Avenue  
Sunnyvale, California  
Telephone (408) 744-1690

Can testify that he paid the firm Alpine Enterprises Inc for consultation and advice. [redacted]  
[redacted]

6. [redacted]  
Acurex Corporation  
485 Clyde Avenue  
Mountain View, California

Can provide employment background data on [redacted]  
[redacted] and Acurex vendor Scientific Custom Metal Products .

7. [redacted]  
Adcotech Corporation  
575 Maude Court  
Sunnyvale, California  
Telephone (408) 733-2820

Can provide information concerning his firm's business with Scientific Custom Metal Products Inc. and S & S Precision and that former Adcotech buyer [redacted]  
[redacted]

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8.

[REDACTED]  
Amdahl Inc.  
3201 Scott Blvd.  
Sunnyvale, Calif.  
Telephone (408) 746-6476

Can provide employment background data on  
former Amdahl buyers [REDACTED]  
Vobeyda and the vendors that these individuals handled.

9.

[REDACTED]  
Applied Materials  
3050 Bowers Avenue  
Santa Clara, California  
Telephone (408) 727-5555

Can provide employment background data on  
former Applied Materials and Cobilt buyers [REDACTED] and  
[REDACTED]

10.

[REDACTED]  
Fairchild Camera and Instrument Corporation  
464 Ellis Street,  
Mountain View, California  
Telephone (415) 962-2981

Can provide information concerning subcon-  
tracts let to vendors. Scientific Custom Metal Products, Two  
Suns Manufacturing and S & S Precision.

11.

[REDACTED]  
Measurex Corporation  
1 Results Way  
Cupertino, California

Can provide employment background data on  
former Measurex Corporation buyer [REDACTED] and information  
concerning subcontracts let to vendors S & S Precision Machine,  
Scientific Custom Metal Products and Two Suns Manufacturing Inc.

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12.

[REDACTED]  
Memorex Corporation  
St Thomas and Central Expressway  
Santa Clara California  
Telephone (408)987-2334

Can provide information concerning subcontracts  
let to Memorex Business Systems Division Vendor Scientific Custom  
Metal Products Inc. and employment background data in former  
Memorex buyers [REDACTED]

13.

[REDACTED]

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Can under Federal Grand Jury subpoena supply

[REDACTED]

b3

14.

[REDACTED]  
Tab Products Company, Forms Handling  
Equipment Division  
2390 Zanker  
San Jose, California

Can provide information concerning subcontracts  
let to Tab Products vendor Scientific Custom Metal Products Inc.

15.

[REDACTED]  
Zilog  
1315 Dell Avenue  
Campbell, California  
Telephone (408)370-8000

Can provide information concerning subcontracts  
let to Zilog vendor Assemco and current [REDACTED]  
and [REDACTED]

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HJM/jaa

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16. [redacted]  
[redacted]  
Four Phase Systems Inc.

Can provide information concerning subcontracts let to Four Phase Systems Inc. vendors Scientific Custom Metal Products Inc. and Hamilton Manufacturing and former Four Phase buyers [redacted]

17. [redacted]  
1928 Hartog Drive  
San Jose, California

Can supply information that he has never seen statements from Managerial Manpower Consultants. He can state that statements from Alpine Enterprises were received in the U.S. Mail and that payments to Alpine Enterprises were made using the U.S. Mail. He can state that his business partner [redacted] told him that Alpine Enterprises had to be paid in order to maintain contracts from Data Pathing.

18. [redacted]  
Four Phase Systems  
10700 North DeAnza Boulevard  
Cupertino, California

Can provide Four Phase Systems accounting records and schedules showing amounts paid by Four Phase Systems to vendors Scientific Custom Metal Products, Inc. and Hamilton Manufacturing.

SF 196B-808  
HJM/jaa

EVIDENCE:

The following described schedules have or are  
being submitted with this report. The basis for the scheduled  
data has been [REDACTED]

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[REDACTED] of Federal Grand Jury subpoenas:

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HJM/jaa

Evidence Inventory Control Record Of  
Federal Grand Jury Subpoenaed Material:

The following

[REDACTED]

[REDACTED]

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HJM/jaa

Evidence (continued)

The following described schedules have been previously submitted with this report

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HJM/jaa

Evidence:

1. Alpine Enterprises



1  
SF 196B-808  
HJM/cad

The following investigation was conducted by  
SA [REDACTED]

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AT SAN JOSE, CALIFORNIA

On September 14, 1982 and September 22, 1982, [REDACTED]  
[REDACTED] Branch Administration Officer, Bank of America,  
2650 Berryessa Road, San Jose, California, was contacted at his  
place of business to secure offsetting entries for certain  
deposits made into Bank of America account [REDACTED] in the  
name Alpine Enterprises and certain offsetting entries for  
Bank of America account [REDACTED] in the name Great Escapes  
Travel. [REDACTED] stated that he has sent the microfilm to Bell  
and Howell in San Jose, California, to be developed. [REDACTED]  
advised that he has learned that this film has not been developed  
since Bell and Howell has been waiting for Bank of America main  
office authorization to develop the film. [REDACTED] advised that  
he would forward these documents as soon as he receives them.

## FEDERAL BUREAU OF INVESTIGATION

1Date of transcription 8/17/82

[redacted]  
[redacted] San Jose,  
California, was served with a Federal Grand Jury subpoena requesting  
[redacted]

b3

GRAND JURY MATERIAL — DISSEMINATE ONLY  
PURSUANT TO RULE 6(e), Fed. R. Crim. P.

Investigation on 7/23/82 at San Jose, California File # SF 196B-808

by SA [redacted] /cad [redacted] Date dictated 7/23/82

b6  
b7C

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1

## FEDERAL BUREAU OF INVESTIGATION

Date of transcription 8/17/82

[redacted]  
[redacted] San Jose, California,  
was interviewed at his place of business. He was advised of the  
official identity of the interviewing Agent. He was further  
advised that he was being contacted in connection with a subpoena

[redacted]

b3

GRAND JURY MATERIAL — DISSEMINATE ONLY  
PURSUANT TO RULE 6(e), Fed. R. Crim. P.

Investigation on 7/16/82 at San Jose, California File # SF 196B-808  
by SA [redacted] /cad [redacted] b6  
b7C Date dictated 7/16/82

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## FEDERAL BUREAU OF INVESTIGATION

1Date of transcription 8/17/82

[redacted]  
[redacted]  
San Jose, California, was served with a Federal Grand Jury subpoena  
[redacted]

b3

GRAND JURY MATERIAL — DISSEMINATE ONLY  
PURSUANT TO RULE 6(e), Fed. R. Crim. P.

Investigation on 7/23/82 at San Jose, California File # SF 196B-808

by SA [redacted] cad <sup>b6</sup> <sub>b7C</sub> Date dictated 7/23/82

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## FEDERAL BUREAU OF INVESTIGATION

Date of transcription 8/19/82

[redacted]  
[redacted] San Jose,  
California, supplied the following described documents in compliance  
with a Federal Grand Jury subpoena served [redacted]  
[redacted] 1982:

[redacted]

b3

GRAND JURY MATERIAL — DISSEMINATE ONLY  
PURSUANT TO RULE 6(e), Fed. R. Crim. P.

Investigation on 8/19/82 at San Jose, California File # SF 196R-808  
by SA 246 M [redacted] /dma b6 b7C Date dictated 8/19/82

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## FEDERAL BUREAU OF INVESTIGATION

1Date of transcription 8/27/82

[redacted]  
[redacted]  
San Jose, California, supplied the following described documents  
in compliance with a Federal Grand Jury subpoena served on  
[redacted] 1982.

[redacted]

b3

GRAND JURY MATERIAL — DISSEMINATE ONLY.  
PURSUANT TO RULE 6(e), Fed. R. Crim. P.

Interviewed on 8/24/82 at San Jose, Calif. File # SF 196B-808

by SA [redacted] <sup>24M</sup> cad <sup>b6 b7C</sup> Date dictated 8/24/82

## FEDERAL BUREAU OF INVESTIGATION

Date of transcription 10/4/821

ornia

San Jose, Calif-

GRAND JURY MATERIAL — DISSEMINATE ONLY  
PURSUANT TO RULE 6(e), Fed. R. Crim. P.

Investigation on 9/29/82 at San Jose, California File # SF 196B-808by SA [redacted] jaa 9/29/82  
b6  
b7C

Date dictated

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SF 196B-808  
HJM/jaa

Evidence:

2. Great Escapes Travel



## FEDERAL BUREAU OF INVESTIGATION

Date of transcription 10/4/821 San Jose, California supplied

b3

GRAND JURY MATERIAL — DISSEMINATE ONLY  
PURSUANT TO RULE 6(e), Fed. R. Crim. P.

Investigation on 9/29/82 at San Jose, California File # SF 196B-808by SA  /jaa <sup>b6</sup><sub>b7C</sub> Date dictated 9/29/82

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Evidence:

3. Matthews Consulting Service

## FEDERAL BUREAU OF INVESTIGATION

Date of transcription 7/27/82

[redacted]  
[redacted] Fremont, California, supplied the following described documents in compliance with a Federal Grand Jury subpoena served on [redacted] 1982. [redacted]

[redacted]

b3

ALL COPY MATERIAL — DISSEMINATE ONLY  
PERMISSIBLE TO RULE 6(e), Fed. R. Crim. P.

Investigation on 7/27/82 at Palo Alto, California File # SF 196B-808  
by SA [redacted] dma b6  
b7C Date dictated 7/27/82

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SF 196B-808  
HJM/jaa

Evidence - Corporate Records

The following report forms reflect in detail the obtaining of corporate records.

SF 196B-808  
HJM/jaa

Evidence - Corporate Records

1. Alpine Enterprises

## FEDERAL BUREAU OF INVESTIGATION

Date of transcription 7/30/82

[redacted] San Jose, California, was advised of the identity of the interviewing Agents and presented with a Federal Grand Jury subpoena dated [redacted] 1982. The subpoena was directed [redacted]

[redacted]

b3

Investigation on 7/30/82 at San Jose, California File # SF 196B-808-307  
by ACCOUNTING TECHNICIAN [redacted] SA [redacted] dma 7/30/82  
Date dictated 7/30/82

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FBI/DOJ

## FEDERAL BUREAU OF INVESTIGATION

Date of transcription 9/17/82

[redacted] California, 94040, telephone number [redacted] appeared at the office of the Federal Bureau of Investigation and was met by the recording Special Agent who identified himself.

[redacted] brought with him a letter addressed to Special Agent [redacted], dated [redacted] 1982, and advised that the letter could serve as a receipt for the items that he was to hand over.

Using [redacted] as an inventory for the items turned over the following items were viewed in a general way and will be appropriately handled:

1. [redacted]

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Investigation on 9/17/82 at Palo Alto, California File # SF 196B-808-339

by SA [redacted] /dma [redacted] Date dictated 9/17/82

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FBI/DOJ

SF 196B-808  
HJM/jaa

Evidence - Corporate Records

2. Managerial Manpower Consultants Inc.



## FEDERAL BUREAU OF INVESTIGATION

Date of transcription 8/3/82

[redacted] was contacted at her place of employment,  
[redacted] San Jose, California, advised of  
the identity of the interviewing Agent and presented with a Grand  
Jury subpoena dated [redacted] 1982. The subpoena was directed to  
[redacted]

b3

Investigation on 8/3/82 at San Jose, California File # SF 196B-808-309  
by SA [redacted] ~~dma~~ b6  
b7C Date dictated 8/3/82

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FBI/DOJ

## FEDERAL BUREAU OF INVESTIGATION

Date of transcription 8/24/82

1

Assistant United States Attorney Gregory Ward furnished the following documents concerning the business firm Managerial Manpower Consultants. These documents were furnished by [redacted] in compliance with a Federal Grand Jury Subpoena for them. [redacted]

[redacted]

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Investigation on 8/24/82 at San Jose, California File # SF 196B-808  
by SA [redacted] /jaa b6 b7C Date dictated 8/24/82

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HJM/jaa

UNPRODUCTIVE INVESTIGATION:



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Mercator Corporation

## FEDERAL BUREAU OF INVESTIGATION

Date of transcription 11/23/821

[redacted] Intel Corporation, 2625 Walsh Road, Santa Clara, California, telephone (408) 987-6152, was interviewed at his place of business. He was advised of the official identity of the interviewing Agent. He was also informed that he was being contacted in connection with an investigation involving allegations that bribes and kickbacks were being paid to buyers of major manufacturing firms by vendors seeking manufacturing subcontracts. [redacted] was further advised that he was specifically being contacted to determine employment information concerning former Intel buyer [redacted] then supplied the following information:

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[redacted] stated that he determined from Intel's records that [redacted] Social Security Account Number (SSAN) [redacted] terminated his employment with Intel in [redacted] 1979. [redacted] stated that he would attempt to secure additional information concerning [redacted] job responsibilities at Intel. [redacted] advised that upon receipt of this information, he would forward it to the interviewing Agent.

[redacted] was cautioned that the FBI's inquiries concerning [redacted] should not be interpreted as a fact that he was engaged in receiving kickback payments. He was advised that [redacted] name came up in connection with an ongoing investigation and that the FBI was routinely attempting to resolve information developed concerning [redacted]

Interviewed on 11/9/82 at Santa Clara, Calif. File # SF 196B-808

by SA [redacted] b6  
[redacted] b7C Date dictated 11/9/82

## FEDERAL BUREAU OF INVESTIGATION

Date of transcription 11/23/82

1

[redacted] Intel Corporation, 2625 Walsh Road, Santa Clara, California, telephone (408) 987-6152, telephonically contacted the interviewing Agent at the Palo Alto, California Resident Agency of the Federal Bureau of Investigation. He advised that he was responding to a request made of him the prior day concerning the employment of [redacted] stated that he checked Intel personnel records concerning [redacted] and determined the following information:

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Intel Corporation hired [redacted] in [redacted] 1979 as an order entry clerk at Santa Clara, California. [redacted] resigned this position in [redacted] 1979. [redacted] was described as a male, born [redacted] and weighed [redacted] pounds. His home was in [redacted] Washington. He had Social Security Account Number (SSAN) [redacted]

Interviewed on 11/10/82 at Santa Clara, California File # SF 196B-808

by SA [redacted] /cad

Date dictated 11/10/82

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HJM/jaa

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On November 9, 1982 and November 10, 1982, [ ] Intel Inc., searched Intel personnel records. There was a personnel record for a [ ] who was employed in a clerical position. He was [ ] years of age at the time. This individual was not identical with the Intel buyer for which the lead was set forth. [ ] stated that Intel's personnel records were incomplete in some areas and that he could not absolutely state that there was a never a buyer known as [ ] [ ] employed by Intel.

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In view of the above information, further attempts to develop background data on [ ] are being discontinued. No specific information concerning bribes predicated this lead. The only information predicated this inquiry was the fact that [ ] has been associated with [ ] and may have once worked for Advance Technology Associates.

## FEDERAL BUREAU OF INVESTIGATION

Date of transcription 11/22/82

1

[redacted] Diablo Systems, Cato and Page Roads, Fremont, California was interviewed at his place of business. He was advised of the official identity of the interviewing Agent. He was also advised that he was being interviewed in connection with an investigation involving allegations that bribes were being paid to secure manufacturing sub-contracts. [redacted] was further advised that he was specifically being contacted to determine employment data on former Diablo Systems buyer [redacted] and Diablo Systems vendor Prime Metals. [redacted] then supplied the following information:

[redacted] stated that he was unable to locate personnel records for [redacted]. He stated that he determined from a supervisor in the Diablo Systems purchasing department, that [redacted] was employed as a buyer for Diablo Systems until approximately [redacted] 1977. [redacted] stated that it is undetermined whether his firm awarded contracts to vendor Prime Metals in the past. He stated that his firm does not currently use the firm Prime Metals. [redacted] noted that several years ago his firm used sheet metal vendors such as Prime Metals. [redacted] advised that for the most part his firm now uses plastic rather than sheet metal parts.

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Investigation on 11/3/82 at Fremont, California File # SF 196B-808

by SA [redacted] jaa Date dictated 11/5/82

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SF 196B-808  
HJM/jaa

On 9/18/82, [redacted]  
Investigators and Special Programs, Amdahl Corporation, Sunnyvale, California advised that no derogatory information came to the attention of anyone at Amdahl concerning the manner in which [redacted] handled his job at Amdahl. [redacted] is described as follows:

Full Name	[redacted]
Date of Birth	[redacted]
Citizenship	United States
Social Security Number	[redacted]
Marital Status	Married to [redacted]
Children	[redacted] Children
Education	Attended Reedly, California Junior College with a major in Industrial Engineering. He did not secure a degree.
Residence	[redacted] San Jose, California
Residence Telephone	[redacted]
Dates of Employment at Amdahl	Hired [redacted] 1978 and Terminated on [redacted] 1982 to enter a "personal venture."
Duties at Amdahl	Manager of Electrical purchasing and planning. [redacted] supervised an inventory valued at approximately \$40 million dollars annually.
Supervisors at Amdahl	[redacted]

PRIOR EMPLOYMENTS:

[redacted] 1965 - [redacted] 1965: District Freight Agent at the Santa Fe Railway Company, Wichita, Kansas.  
[redacted] 1965 - [redacted] 1972: A.V. Electronics, Inc., Fresno, California.

[redacted] 1972 - [redacted] 1974: Senior Corporate Buyer, Vidar Corporation, 77 Ortega Avenue, Mountain View, California.

[redacted] 1974 - [redacted] 1978: Purchasing Manager, GCA Corporation, 1050 Kifer Road, Sunnyvale, California.



1  
SF 196B-808  
HJM/cad

The following investigation was conducted by  
SA [REDACTED]

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AT SANTA CLARA, CALIFORNIA

On September 2, 1982, an attempt to contact the principals of Mercator Corporation at 2433 De La Cruz, Santa Clara, California, disclosed that Mercator moved from that location over a year ago. The current occupant at 2433 De La Cruz, Jim's Printing, advised that the current location and disposition of Mercator is unknown.

On September 2, 1982, the Pacific Telephone information operator advised that there is no published listing in the Santa Clara-San Jose area under the name Mercator Corporation.

1  
SF 196B-808  
JWR/cad

The following investigation was conducted by  
SA [redacted]

On November 29, 1982, [redacted] Accounting Department, Four Phase Corporation, Cupertino, California, telephonically advised that he had been instructed by his boss, [redacted] to provide this Agent with invoices and purchase orders of all business dealings that Four Phase has had with Scientific Custom Metal Products and Hamilton Manufacturing Corporation. [redacted] advised that this project could take an individual approximately six months and he would appreciate if at all possible for the scope of their search to be narrowed down. [redacted] was advised that this Agent would meet with him and go over the material that had been requested by the FBI in an effort to expedite their project.

On November 29, 1982, SA [redacted] and [redacted] met and the following information was requested from Four Phase. Concerning their business dealings with Scientific Custom Metal Products, Four Phase was requested to provide a schedule of their business dealings for the months of May, June, July and August, 1979; January, February, May, June, July of 1978; January, February, May, June and August of 1979. Four Phase was further requested to provide a schedule of their business dealings with Hamilton Manufacturing, Inc. for the months June, July, August, September and October of 1980.

[redacted] advised that these specific requests would cut down on their effort to assist the FBI and expedite this project.

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SF 196B-808  
HJM/cad

The following investigation was conducted by  
SA [REDACTED]

AT PALO ALTO, CALIFORNIA

Between March 12, 1982 and August 17, 1982, numerous contacts were made with [REDACTED] partner, Electronic Sales Products, in an attempt to arrange an interview. In each instance, [REDACTED] postponed the interview to a later date when his partner, [REDACTED] would be able to be present. On August 25, 1982, [REDACTED] agreed to an interview at his place of business on September 15, 1982, at 9:30 AM. On September 14, 1982, a contact at [REDACTED] place of business disclosed that [REDACTED] was unable to contact the interviewing Agent but requested his secretary to inform the interviewing Agent that he would be out of town in the period beginning September 15, 1982 to September 20, 1982. The interviewing Agent advised [REDACTED] secretary that he was disappointed that [REDACTED] would again be unavailable for an interview and requested her to inform [REDACTED] that the interviewing Agent would like to personally discuss this matter on that same day.

On September 14, 1982, [REDACTED] Attorney, 111 West Saint John, Suite 666, San Jose, California, telephone 275-8000, telephonically contacted the interviewing Agent. He advised that he represented [REDACTED] was advised that numerous attempts to interview [REDACTED] in the past have not been successful since [REDACTED] has always been unavailable for an interview. [REDACTED] stated that he would make [REDACTED] available for an interview at his office at 10:00 AM on Wednesday, September 22, 1982. [REDACTED] acknowledged that he has a law partner, [REDACTED] who represents [REDACTED] a former partner of [REDACTED] and [REDACTED]

SF 196B-808  
JWR/dma

The following investigation was conducted by  
SA [REDACTED]  
AT CUPERTINO, CALIFORNIA

On November 12, 1982, [REDACTED]  
in Charge of Finance, and [REDACTED] Counsel for Four Phase  
Systems Incorporated, were interviewed.

They were advised that the FBI had been conducting  
an investigation for approximately two years involving kickbacks  
paid from various vendors of large corporations to various buyers  
of these corporations. They were advised that in the course of  
this investigation, two particular buyers that formerly worked  
for Four Phase Systems have come to the attention of the FBI and  
might possibly have been involved in this practice. They were  
advised that they buyers were [REDACTED]

[REDACTED] was requested the following information  
in order to assist the FBI in their investigation:

1. Employment and termination dates of [REDACTED]  
and [REDACTED]

2. The amount of business done between Four Phase  
Systems and Scientific Custom Metal Products Incorporated and  
Hamilton Manufacturing Incorporated. The documents requested to  
reflect the business done between Four Phase Systems and these  
various vendors were specifically mentioned as invoices and purchase  
orders.

[REDACTED] advised that Four Phase Systems will cooperate  
with the FBI's investigation in whatever areas they could possibly  
help. He advised that he would attempt to gather the documents  
requested and would advise this Agent when the task was completed.

SF 196B-808  
HJM/cad

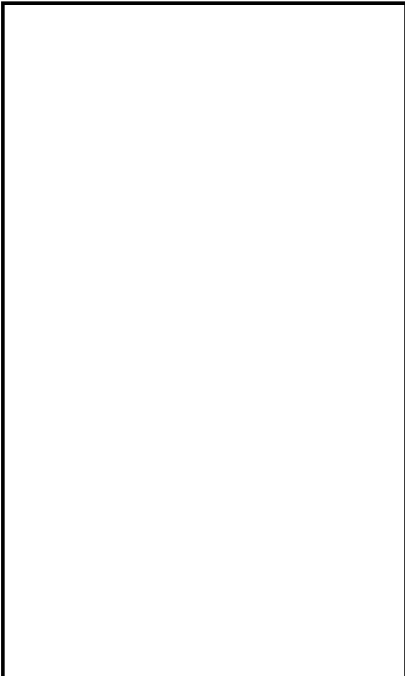
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SF 196B-808  
HJM/cad

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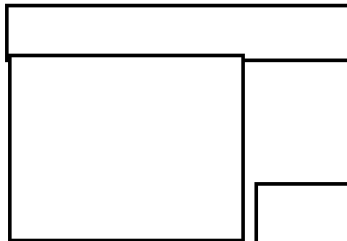
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## FEDERAL BUREAU OF INVESTIGATION

Date of transcription 6/25/82

As a result of a subpoena issued to [redacted]  
[redacted] Santa Clara, California  
[redacted]

The [redacted] following:



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Investigation on 6/25/82 at Palo Alto, California File # SF 196B-808-282  
by SA [redacted] dma [initials] Date dictated 6/25/82  
b6  
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FBI/DOJ

## FEDERAL BUREAU OF INVESTIGATION

1Date of transcription 12/22/82

A review of the purchase orders between Atari, Inc. and R & B Products, 3563 Peak Drive, San Jose, California, was made. These purchase orders were supplied by [redacted] of Atari on February 2, 1982 and included all of the purchase orders prepared by [redacted]

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Scheduled out from this review were purchase orders in connection with R & B Products and were dated from December 4, 1980 until February 12, 1981. This schedule consisted of one page and is further identified by the number 25 in the right hand corner. This schedule has been placed in this file.

Interviewed on 10/20/82 at Palo Alto, California File # SF 196B-808

by SA [redacted] cad Date dictated 10/20/82

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Atari Purch. Orders with  
 R+B Products  
 3563 Peak Dr.  
 San Jose, Ca.

25

Date issued		Total amt. of order	Buyer of Atari	Confirmed w/	Invoice NO	Approved by
12/4/80		2,345.00				
12/4/80		5,800.00				
12/7/80		512.00				
12/9/80		3,378.75				
12/9/80		11,286.00				
12/9/80		14,940.00				
12/9/80		11,550.00				
12/9/80		4,758.00				
12/11/80		1,178.00				
12/11/80		4,603.50				
12/11/80		836.00				
12/14/80		1,952.00				
12/14/80		2,782.50				
12/14/80		160.92				
12/14/80		313.65				
12/14/80		16,600.00				
12/14/80		14,850.00				
12/14/80	*	262,047.00				
1/9/81		424.69				
1/19/81		617.10				
1/21/81		313.65				
1/24/81		1,457.50				
1/29/81	*	224,622.68				
2/4/81		450.00				
2/6/81		97.50				
2/6/81		1,740.00				
2/6/81		5,120.00				
2/07/81		1,798.00				
2/9/81		14,940.00				
2/9/81		16,500.00				
2/12/81		552.00				
* indicates a change order						
10/10/81						
4						

b6  
 b7C

## FEDERAL BUREAU OF INVESTIGATION

1Date of transcription 12/22/82

A review of purchase orders of Atari with Two Suns Manufacturing, Inc., 3445 De La Cruz Boulevard, Santa Clara, California, and Scientific Custom Metal Products, Inc., 540 Parrot Street, San Jose, California, was made and scheduled out by this reporting Agent. These purchase orders were given to this Agent by [redacted] of Atari, Inc. on October 3, 1981. The review for Scientific Custom Metal Products, Inc. purchase orders were dated from May, 1980 until February of 1981. This schedule consisted of two pages and at the right hand corner was marked number 26.

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A schedule of Two Suns purchase orders was done which included purchase orders from October of 1979 until February 24, 1981. This schedule consisted of three pages and is captioned number 24 in the right hand corner.

These schedules have been placed in this file.

Interviewed on 10/6/82 at Palo Alto, California File # SF 196B-808

by SA [redacted] cad [redacted] Date dictated 10/6/82

b6  
b7C

Alari Purchase Orders with  
Two Sums Manufacturing Inc.  
3500 Yale Way Fremont, Ca  
3445 De La Brea Ave Santa Clara Ca

Date issued	Total amount of order	Buyer of Alari	confirm w/	Invoice no.	Approved by
10/8/79	64.00				
10/11/79	2,975.00				
11/12/79	2,246.00				
11/30/79	10,800.00				
1/17/80	1,560.00				
1/18/80	15,797.50				
2/5/80	229.97				
2/5/80	no charge				
2/12/80	14,555.00				
3/20/80	500.00				
3/4/80	48,577.50				
3/6/80	18,708.80				
4/1/80	25,273.00				
4/17/80	12,425.00				
4/11/80	6,750.00				
5/8/80	690.00				
5/21/80	3,952.50				
5/15/80	17,600.00				
5/15/80	210.00				
5/14/80	1,132.75				
5/5/80	9,172.80				
5/27/80	13,000.00				
6/2/80	107,580.00				
6/2/80	695.00				
6/5/80	3,975.00				
6/11/80	202.00				
6/30/80	25,000.00				
7/9/80	6,110.00				
7/9/80	2,250.00				
7/21/80	13,716.00				
7/25/80	2,820.00				
8/28/80	17,748.00				
8/26/80	372.50				
8/12/80	3,696.00				
8/12/80	10,292.50				
8/12/80	5,374.60				
8/11/80	9,000.00				
8/11/80	750.00				
8/11/80	5,757.00				
8/11/80	9,898.00				
8/11/80	13,500.00				
8/18/80	1,050.00				
8/18/80	475.00				
9/9/80	3,300.00				
9/9/80	5,370.00				

(cont.)

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(Cont)

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## FEDERAL BUREAU OF INVESTIGATION

Date of transcription 12/28/821

A schedule was prepared concerning violations of Mail Fraud, Wire Fraud, Conspiracy, and Racketeering Influence and Corrupt Organization (RICO) on the part of [redacted]

[redacted] This schedule was prepared as a [redacted] [redacted] secured through a Federal Grand Jury. The schedule [redacted]

b3

Investigation on 10/5/82 at Palo Alto, Calif. File # SF 196B-808

by SA [redacted] cad [redacted] Date dictated 10/5/82

b6  
b7C

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## FEDERAL BUREAU OF INVESTIGATION

1Date of transcription 12/22/82

A review of the purchase orders between Atari, Inc. and Scientific Custom Metal Products, Inc., 540 Parrot Street, San Jose, California, was made. These purchase orders were supplied by [ ] of Atari on October 3, 1981 and included all the purchase orders prepared by [ ]. This schedule sets forth the purchase orders subcontracted to Scientific Custom Metal Products, Inc. between May 27, 1980 and February 12, 1981. This schedule consisted of two pages and at the right hand corner was marked number 26.

Investigation on 10/6/82 at Palo Alto, California File # SF 196B-808

by SA [ ] cad Date dictated 10/6/82

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Altair Purchase Order with Scientific  
Century Metal Products Inc  
540, Perot St.  
S.J. Co.

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Date Issued	Part No.	Quantity	Total amt of order	Buyer's name	Company	Invoice No	Approved by
5-27-80	51735		3,541.00				
5-27-80			4,979.00				
5-27-80			6,382.00				
5-28-80			291.50				
5-28-80			17,756				
6-6-80			4,635.50				
6-6-80			3,968.00				
6-6-80			6,477.00				
6-10-80			5,062.50				
6-11-80			351.00				
7-10-80			185.00				
7-10-80			2,000.00				
7-16-80			7,347.00				
7-17-80			14,26.50				
7-18-80			6,956.00				
7-29-80			5,000.00				
7-29-80			5,600.00				
8-13-80			12,065.00				
8-13-80			2,562.00				
8-14-80			235.00				
8-18-80			265.00				
8-18-80			1,731.43				
8-17-80			14,196.00				
8-17-80			10,395.00				
8-20-80			648.00				
8-20-80			944.00				
8-20-80			648.00				
8-27-80			10,453.10				
9-12-80			862.50				
9-17-80			174.00				
9-22-80			705.00				
9-22-80			1,820.00				
9-22-80			910.00				
9-22-80			265.00				
9-23-80			43,500.00				
9-26-80			600.00				
9-29-80			7,670.00				
10-6-80			7,000.00				
10-6-80			810.00				
10-6-80			1,424.00				
10-7-80			1,246.00				
10-8-80			265.00				
10-10-80			3,094.00				
10-10-80			2,402.40				
10-24-80			38,350.00				

10/1/82





## FEDERAL BUREAU OF INVESTIGATION

Date of transcription 7/28/82

This review

disclosed the following information:

GRAND JURY MATERIAL — DISSEMINATE ONLY  
PURSUANT TO L.A. C.C., Fed. R. Crim. P.

Investigation on 7/28/82 at Palo Alto, California File # SF 196B-808by SA [redacted] /dma <sup>b6</sup><sub>b7C</sub> Date dictated 7/28/82

## FEDERAL BUREAU OF INVESTIGATION

Date of transcription 7/28/82

information:

This review disclosed the following

**GRAND JURY INFORMATION FOR PROSECUTOR ONLY**  
**PURSUANT TO RULE 6(e), Fed. R. Crim. P.**

Investigation on 7/28/82 at PALO ALTO, CALIFORNIA File # SF 196B-808

SA [redacted] / dma b6 b7C Date dictated 7/28/82

## FEDERAL BUREAU OF INVESTIGATION

7/28/82

Date of transcription

This review disclosed the following information:

b3

GRAND JURY MATERIAL -- DISSEMINATE ONLY  
PURSUANT TO 18 U.S.C. Fed. R. Crim. P.

Investigation on 7/28/82 at Palo Alto, California File # SF 196B-808  
by SA [redacted] /dma b6  
b7C Date dictated 7/28/82

## FEDERAL BUREAU OF INVESTIGATION

Date of transcription 7/28/82

[REDACTED]

disclosed the following information:

[REDACTED]

This review

b3

Investigation on 7/28/82 at Palo Alto, California File # SF 196B-808

by SA [REDACTED] /dma Date dictated 7/28/82

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b7C

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## FEDERAL BUREAU OF INVESTIGATION

Date of transcription 7/28/82

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GRAND JURY MATERIAL — DISSEMINATE ONLY  
PURSUANT TO RULE 6(e), Fed. R. Crim. P.

Investigation on 7/28/82 at Palo Alto, California File # SF 196B-808  
by SA [redacted] /dma Date dictated 7/28/82  
b6  
b7c

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## FEDERAL BUREAU OF INVESTIGATION

Date of transcription 7/28/82

[REDACTED]

the following information:

This review disclosed

b3

Investigation on 7/28/82 at Palo Alto, California File # SF 196B-808by SA [REDACTED] /dma Date dictated 7/28/82

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GRAND JURY MATERIAL - DISSEMINATE ONLY  
PURSUANT TO RULE 6(e), Fed. R. Crim. P.

FEDERAL BUREAU OF INVESTIGATION

1

Date of transcription 8/27/82

[REDACTED]

This review disclosed the following information.

[REDACTED]

b3

GRAND JURY MATERIAL — DISSEMINATE ONLY  
PURSUANT TO RULE 6(e), Fed. R. Crim. P.

Interviewed on 8/18/82 at Palo Alto, California File # SF 196B-808

by SA [REDACTED] <sup>b6</sup><sub>b7C</sub> cad Date dictated 8/18/82



FEDERAL BUREAU OF INVESTIGATION

1

Date of transcription 8/27/82

Federal Grand Jury subpoenas dated

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GRAND JURY MATERIAL — DISSEMINATE ONLY  
PURSUANT TO RULE 6(e), Fed. R. Crim. P.

Interviewed on 3/29/82-8/24/82 at Palo Alto, Calif. File # SF 196B-808

by SA  cad b6  
b7C Date dictated 8/24/82

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FBI/DOJ

**FEDERAL BUREAU OF INVESTIGATION**

Date of transcription 7/22/82

On [redacted] 1982, the subpoenaed [redacted]  
[redacted] Santa Clara,  
California, were examined.

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Investigation on 7/22/82 at PALO ALTO, CALIFORNIA File # SF 196B-808

ACCOUNTING TECHNICIAN

Idma

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na 7/22/82  
Date dictated \_\_\_\_\_

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## FEDERAL BUREAU OF INVESTIGATION

Date of transcription 7/19/82On  1982, the subpoenaed 

b3

Investigation on 7/19/82 at Palo Alto, California File # SF 196B-808  
by ACCOUNTING TECHNICIAN  <sup>REV</sup> Date dictated 7/19/82

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## FEDERAL BUREAU OF INVESTIGATION

Date of transcription 8/4/82

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On [redacted] 1982, the subpoenaed

the subpoenaed [REDACTED] were examined.

Investigation on 8/4/82 at Palo Alto, California File # SF 196B-808

ACCOUNTING TECHNICIAN.

dictated

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8 / 4 / 82

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FBI/DOJ

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## FEDERAL BUREAU OF INVESTIGATION

Date of transcription 8/4/82On            1982 the subpoenaed    were examined.Investigation on 8/4/82 at Palo Alto, California File # SF 196B-808by ACCOUNTING TECHNICIAN                                 /dma  
dictatedb6  
b7C8/4/82

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SF 196B-808

A two page [redacted]  
dated [redacted] 1982, has been prepared and is the subject of this  
FD-302.

b3

## FEDERAL BUREAU OF INVESTIGATION

Date of transcription 10/19/82On                      1982, the subpoenaed records of                     

b3

Investigation on 10/19/82 at Palo Alto, California File # SF 196B-808by ACCOUNTING TECHNICIAN                      <sup>b6</sup><sub>b7C</sub> JB/dms Date dictated 10/19/82

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## FEDERAL BUREAU OF INVESTIGATION

Date of transcription 7/29/82

On [REDACTED] 1982, the subpoenaed records of

b3

Investigation on 7/29/82 at Palo Alto, California File # SF 196B-808

ACCOUNTING TECHNICIAN  
by \_\_\_\_\_

/ dna  
dictated

7/29/82 b6 b7C

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FBI DOJ.



## FEDERAL BUREAU OF INVESTIGATION

Date of transcription 7/27/82

On July 27 1982 the subpoenaed records of  Santa Clara, California were examined.

b3

Investigation on 7/27/82 at Palo Alto, California File # SF 196B-808  
by ACCOUNTING TECHNICIAN  <sup>221</sup>  
Date dictated 7/27/82 b6 b7C

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## FEDERAL BUREAU OF INVESTIGATION

Date of transcription 3/2/82

On            1982, the available subpoenaed records and  
schedules prepared by           

prepared and is the subject of this FD-302.

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Investigation on 3/2/82 at Cupertino, California File # SF 196B-808

by ACCOUNTING TECHNICIAN                                  /dma 3/2/82 b6  
e dictated                                  b7C

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## FEDERAL BUREAU OF INVESTIGATION

Date of transcription 10/26/82

On October 26, 1982, the subpoenaed records of [redacted]  
[redacted] Santa Clara, California, were examined.

[redacted]

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Investigation on 10/26/82 at Palo Alto, California File # SF 196B-808

by AT [redacted] dma [redacted] Date dictated 10/26/82

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## FEDERAL BUREAU OF INVESTIGATION

Date of transcription 10/26/82

On [redacted] 1982, the subpoenaed records of [redacted]  
[redacted] Santa Clara,  
California, were examined.

subject of this FD-302. [redacted] prepared listing [redacted] and is the

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Investigation on 10/26/82 at Palo Alto, California File # SF 196B-808

by AT ./dma b7C Date dictated 10/26/82

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## FEDERAL BUREAU OF INVESTIGATION

Date of transcription 1/25/82

On [REDACTED] 1982, the subpoenaed records of

California, were examined.

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Investigation on 1/25/82 at Palo Alto, California File # SF 196B-808

by AT dma b7C Date dictated 1/25/82

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FBI/DOJ

Payor:									
1-25-81									

1-25-81 *AKA*

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## FEDERAL BUREAU OF INVESTIGATION

Date of transcription 10/26/82

On [redacted] 1982, the subpoenaed records of [redacted] Los Altos, California, were examined.

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A schedule [REDACTED] has been prepared and is the subject of this FD-302.

Investigation on 10/26/82 at Palo Alto, California File # SF 196B-808

by AT [redacted] /dma [redacted] Date dictated 10/26/82

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Payee:		Date	
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[Redacted]

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[Redacted]

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10/26/82 [Signature]



## FEDERAL BUREAU OF INVESTIGATION

Date of transcription 2/4/82

On [redacted] 1982, the subpoenaed records [redacted]  
[redacted] California,  
were examined.

Investigation on 2/4/82 at Palo Alto, California File # SF 196B-808

by AT [redacted] dma b6  
b7C Date dictated 2/4/82

Commissions 7/12/78 - 11/16/81

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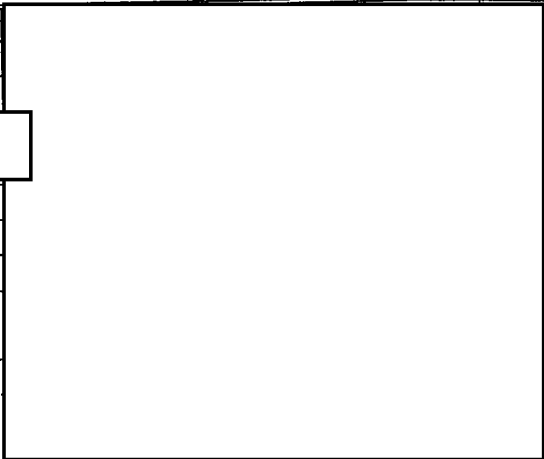
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Tans 10/13



Commissions

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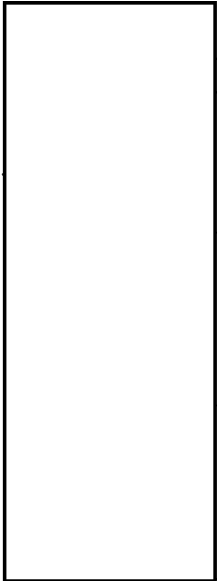
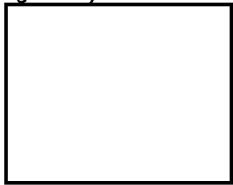
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2/4/82 R.H.  
page 2 of 13

7/12/78 - 11/16/81

Commissioners continued

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2/4/82 RIV  
page 3 of 13

Commissions

7/12/78 - 1/16/81

Continued

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2/4/82 P.V.  
page 4 of 13

Contributions

7/12/78 - 1/16/81

continued

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2/1/82 BAC  
Page 5 of 13

Commissions 7/1/78 - 11/16/81 continued

Payee:

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2/7/82 per

Page 6 of 13

Comptroller

7/12/78 - 11/16/81

Payee:

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Page 7 of 13

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page 8 of 13

Commissions 7/12/78 - 11/16/81 continued

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2/4/82 Rev

Page 9 of 13

112

Commissions 7/12/78 - 11/16/81 continued

Payee:

2/4/82 P.M.

Page 10 of 13

113

Communications 7/12/78 - 11/16/81 continued

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continued

2/4/82 RAL

page 11 of 13

114

[Redacted]

Contributions 7/12/78 - 11/16/81 continued

Payee:

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page 12 of 13

7/12/78 - 11/16/81. continued

Payee:

27 1/2

Page 13 of 13

926

## FEDERAL BUREAU OF INVESTIGATION

Date of transcription 10/21/82b6  
b7c

On October 21 - 26, 1982, the records of Scientific Custom Metal Products, Incorporated (SCMPI), 450 Parrott, San Jose, California, were examined.

During the period April 17, 1980 through June 29, 1981, SCMPI paid Northwest Consultants [ ] totaling [ ]

During the period December 10, 1980 through February 6, 1981, SCMPI paid Matthews Consulting [ ] totaling [ ]

During the period March 9, 1979 through December 3, 1980, SCMPI paid Managerial Manpower Consultants Incorporated, [ ] totaling [ ]

During the period January 22, 1979 through February 10, 1981, SCMPI paid Alpine Enterprises, Incorporated, [ ] totaling [ ]

During the period July 31, 1980 through March 10, 1981, SCMPI paid P.M. Communications, [ ] totaling [ ]

During the period May 2, 1980 through March 10, 1981, SCMPI paid Linden Associates, Post Office Box 58341, Seattle, Washington, eleven checks totaling [ ]

During the period August 14, 1979 through August 20, 1980, SCMPI paid D & S Associates, [ ] totaling [ ]

During the period July 7, 1977 through March 15, 1979, SCMPI paid [ ] totaling [ ]

The total amount of these [ ] is [ ]

A schedule titled Scientific Custom Metal Products Incorporated, Account Number [ ] "Outside Services" 7/77 - 6/81, listing these [ ] has been prepared and is the subject of this FD-302.

Investigation on 10/21-26/82 at Palo Alto, California File # SF 196B-808

by AT [ ] /dma Date dictated 10/21/82

Sci-Tech Custom Metal Products Inc.  
Account [redacted] "Outside Services" 7/77 - 6/81

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	1	2	3	4
	Payee:		Date	
1	Northwest Consultants		4/17/80	
2			6/19/80	
3			7/24/80	
4			8/20/80	
5			9/4/80	
6			9/25/80	
7			10/15/80	
8			11/4/80	
9			11/14/80	
10			1/12/81	
11			2/6/81	
12			3/10/81	
13			4/9/81	
14			4/28/81	
15			6/2/81	
16			6/29/81	
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26	Matthews Consulting		12/10/80	
27			1/12/81	
28			2/6/81	
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page 1 of

10/22/82 PAM

113



Scientific Custom Products Inc.

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	Payee:		Date	
1	Managerial Manpower		3/9/79	1
2	Consulting Inc.		4/6/79	2
3			5/9/79	3
4			6/13/79	4
5			7/3/79	5
6			8/17/79	6
7			9/7/79	7
8			10/10/79	8
9			11/14/79	9
10			12/18/79	10
11			1/7/80	11
12			2/12/80	12
13			3/20/80	13
14			4/7/80	14
15			5/16/80	15
16			6/11/80	16
17			7/17/80	17
18			8/14/80	18
19			9/9/80	19
20			10/6/80	20
21			11/3/80	21
22			12/3/80	22
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*Scientific Custom Metal Products Inc.*

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	<i>Payer:</i>	<i>Date</i>		
1	<i>Alpine Enterprises</i>	<i>1/22/79</i>		
2	<i>P.O. Box 32361</i>	<i>2/19/79</i>		
3	<i>San Jose, CA 95132</i>	<i>3/15/79</i>		
4		<i>4/20/79</i>		
5		<i>5/9/79</i>		
6		<i>6/15/79</i>		
7		<i>7/26/79</i>		
8		<i>9/6/79</i>		
9		<i>9/12/79</i>		
10		<i>10/10/79</i>		
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19		<i>7/17/80</i>		
20		<i>8/14/80</i>		
21		<i>9/11/80</i>		
22		<i>10/15/80</i>		
23		<i>11/11/80</i>		
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25		<i>1/20/81</i>		
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31	<i>P.M. Communications</i>	<i>7/31/80</i>		
32	<i>P.O. Box 1077</i>	<i>9/2/80</i>		
33	<i>Agustino, CA 95015</i>	<i>9/9/80</i>		
34		<i>11/6/80</i>		
35		<i>2/13/81</i>		
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*Scientific Custom Metal Products Inc.*

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	<i>Payee:</i>		<i>Date</i>	
1	<i>Linden Associates</i>		<i>5/2/80</i>	
2	<i>P.O. Box 58341</i>		<i>6/17/80</i>	
3	<i>Seattle, Wa. 98188</i>		<i>7/16/80</i>	
4	[Redacted]		<i>8/14/80</i>	
5	<i>Employed by ATL</i>		<i>9/11/80</i>	
6	[Redacted]		<i>10/7/80</i>	
7	[Redacted]		<i>11/3/80</i>	
8	[Redacted]		<i>12/2/80</i>	
9	[Redacted]		<i>1/8/81</i>	
10	[Redacted]		<i>2/10/81</i>	
11	[Redacted]		<i>3/10/81</i>	
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20	[Redacted]			
21	<i>Dt Associates</i>		<i>8/14/79</i>	
22	<i>1173 Bonita Ave</i>		<i>1/23/80</i>	
23	<i>Mountain View, CA</i>		<i>1/24/80</i>	
24	<i>94040</i>		<i>2/18/80</i>	
25	[Redacted]		<i>3/7/80</i>	
26	<i>Employed at MCCUREX</i>		<i>4/7/80</i>	
27	[Redacted]		<i>5/14/80</i>	
28	[Redacted]		<i>7/7/80</i>	
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page 4 of

10/24/82 R94

Scientific Custom Metal Products Inc.

	1	2	3	4
	Payee:		Date	
1	[Redacted]		7/7/77	1
2	209 Bel Air Dr.		8/10/77	2
3	San Jose, CA 95117		9/23/77	3
4	(Employed by Fourphase)		10/31/77	4
5			11/21/77	5
6			12/15/77	6
7			1/12/78	7
8			2/6/78	8
9			3/15/78	9
10			4/14/78	10
11			5/16/78	11
12			6/22/78	12
13			7/31/78	13
14			8/29/78	14
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16			11/9/78	16
17			1/4/79	17
18			2/1/79	18
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Scientific Custom Theta Products Inc.

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	Consulting Fees Summary			
1	Payee:	<div></div>		
2	Northwest Consultants			
3	Matthews Consulting			
4	Managerial Manpower			
5	Alpine Enterprises			
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7	Linden Associates			
8	D+S. Associates			
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page 6 of

10/26/82 *[Signature]*

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## FEDERAL BUREAU OF INVESTIGATION

Date of transcription 2/22/82

On                      1982, the subpoenaed record of                       
                     California, were examined.                      Santa Clara,

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Investigation on 2/22/82 at Palo Alto, California File # SF 196B-808

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by AT                      dma Date dictated 2/22/82

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## FEDERAL BUREAU OF INVESTIGATION

Date of transcription 11/3/82

[redacted] dba Hamilton Manufacturing Incorporated, 1928 Hartog Drive, San Jose, California, 95131, was advised of the identity of the interviewing Agent and advised the following.

He was shown copies of ten invoices addressed to Hamilton Manufacturing Company from Managerial Manpower Consultants Incorporated. Hamilton advised that he does not recall ever having received any such invoices. He advised that he supplied this Agent with invoices which their company had made out on behalf of MMC Incorporated and that to the best of his knowledge when they mailed the check to MMC Incorporated, a copy of this invoice was included with the check. Hamilton advised that the invoices that this Agent was showing him from MMC shows consulting services and that he did not charge his books with consulting services in accounting for the checks that he paid to [redacted] doing business as MMC Incorporated. [redacted] advised that he would consult with [redacted] who is his bookkeeper, and who was his bookkeeper during the time that [redacted] was paid kickbacks. [redacted] advised that he would consult with [redacted] to verify the fact that they did not receive invoices from MMC.

[redacted] was also shown invoices from Alpine Enterprises Incorporated, Post Office Box 32301, San Jose, California, 95132, addressed to Hamilton Manufacturing, which were dated in 1978. [redacted] advised that he had honestly forgotten that he had paid [redacted] kickbacks for the business that he received from Data Pathing Incorporated.

[redacted] advised that before this kickback arrangement was made between [redacted] and himself, Hamilton Manufacturing Incorporated had been doing a large volume of business with Data Pathing. [redacted] advised that when [redacted] took over as one of the buyers at Data Pathing, [redacted] salesman, came to [redacted] and told him that if Hamilton Manufacturing wanted to continue to do business with Data Pathing, they would have to pay [redacted] a certain percentage. [redacted] advised that at the present time he does not know what percentage they paid and exactly how these kickbacks were written off on their books. [redacted] advised that he would need some time to go through his records in 1978 and talk with his accountant, [redacted] and then he would be able to advise more accurately how he paid these kickbacks to [redacted].

Investigation on 11/3/82 at San Jose, California File # SF 196B-808  
by SA [redacted] /dma [redacted] Date dictated 11/3/82  
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b7c

SF 196B-808

[ ] advised that as best as he can recall the invoices from Alpine Enterprises were sent to them in the mail in that they mailed a check to Alpine Enterprises for payment of these services.

[ ] advised that he will review his records and determine when Gary Siress started working for Hamilton Manufacturing and also terminated his employment. He further advised that [ ] worked as a salesman when he, [ ] were [ ] in Select Metal Products Incorporated. [ ] advised that [ ] was a good salesman and that he hired him for that reason when [ ] Hamilton Manufacturing Incorporated.

[ ] further advised that his books would reflect that he did a lot of business with Data Pathing before he started paying [ ] kickbacks and that after he discontinued paying [ ] these kickbacks the business that he did with Data Pathing dwindled to almost nothing. [ ] advised that he decided to discontinue paying these kickbacks to [ ] because he did not like doing business this way.



## FEDERAL BUREAU OF INVESTIGATION

Date of transcription 10/22/82

On [redacted] 1982, the subpoenaed records of [redacted]  
[redacted] Santa Clara,  
California were examined.

Investigation on 10/22/82 at Palo Alto, California File # SF 196B-808  
by: AT [redacted] dma [redacted] b6 b7C Date dictated 10/22/82

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FBI/DOJ

## FEDERAL BUREAU OF INVESTIGATION

Date of transcription 4/7/82

On [redacted] 1982, the subpoenaed records of [redacted]  
[redacted] [redacted] San Jose, CA.  
were examined.

Investigation on 4/6/82 at Palo Alto, CA. File # 196B-808  
by AT [redacted] /rrh <sup>b6</sup> <sup>b7C</sup> Date dictated \_\_\_\_\_

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## FEDERAL BUREAU OF INVESTIGATION

Date of transcription 10/26/82

On [redacted] 1982, the subpoenaed records of [redacted]  
[redacted] San Jose, California, were  
examined.

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Investigation on 10/26/82 at Palo Alto, California File # SF 196B-808

by AT /dma b7C Date dictated 10/26/82

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## FEDERAL BUREAU OF INVESTIGATION

Date of transcription. 10/26/82

On [redacted] 1982, the subpoenaed records of [redacted]  
[redacted] San Jose,  
California, were examined.

b3

Investigation on 10/26/82 at Palo Alto, California File # SF 196B-808  
by AT [redacted] dma b6  
b7C Date dictated 10/26/82

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FBI/DOJ

## C

Date of transcription, 3/26/82

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Santa Clara, California, were examined.



Investigation on 10/15/81 at Palo Alto, California File # 196B-808

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**Date dictated**

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## FEDERAL BUREAU OF INVESTIGATION

1

Date of transcription 3/26/82

On [redacted] 1981, the subpoenaed records of San Jose, California, were examined.

Investigation on 12/28/81 at Palo Alto, California File # 196B-808

by AT RRH/pjn b7C Date dictated

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## FEDERAL BUREAU OF INVESTIGATION

1Date of transcription 3/22/82

On [redacted] 1982, the subpoenaed records of [redacted]  
[redacted] were examined. [redacted]

[redacted]

b3

Investigation on 3/22/82 at Palo Alto, California File # SF 196B-808

by Accounting Technician [redacted] /cad <sup>b6</sup><sub>b7C</sub> Date dictated 3/22/82

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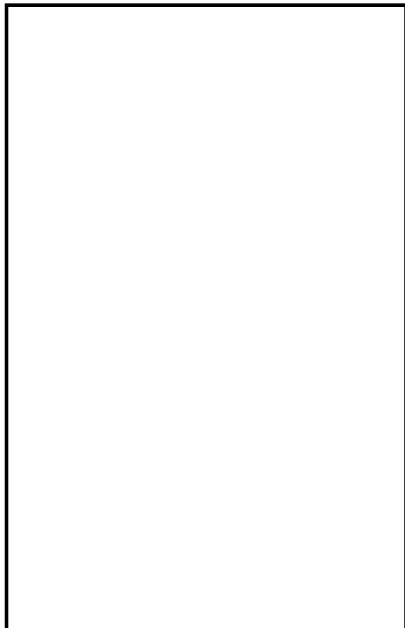
FBI/DOJ



## FEDERAL BUREAU OF INVESTIGATION

Date of transcription 3/2/82

On March 2, 1982, a schedule of buyers was compiled identifying the amounts received by the buyers from various vendor firms. This schedule identified buyers:



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Investigation on 3/2/82 at Palo Alto, California File # SF 196B-808

by Accounting Technician [redacted] ad b6 b7C Date dictated 3/2/82

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# Schedule of Buyers & Related DATA

Name of Buyer	Buyer's related Consulting Company	Vendor companies Buyer has dealt with and/or manufacturing representatives.	Amount of \$ received from vendor	Corporation that employed buyer.
[Redacted]	Alpine Enterprises	Cooley Associates Inc. Scientific Custom Metal Products STS Precision Machine Two Sons Mfg. Inc. Fast Heat Metal (1978) Electronic Metal Products Pensacola Machine Inc.	[Redacted]	Theasimus NCR
[Redacted]	P.M. Communications	STS Precision Machine Scientific Custom Metal Products Multilayers Incorporated	[Redacted]	Reunited
[Redacted]	London Associates	Scientific Custom Metal Products Electronic Sales & Products	[Redacted]	4 Phase
[Redacted]	London Associates	Scientific Custom Metal Products Two Sons Mfg. Inc. STS Precision Machine Multilayers Incorporated	[Redacted]	ATL

Amount credited 28,750.79 to 24th December 1978

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4 Phase

ATL

## Schedule of Buyers &amp; Related Data

Name of Buyer	Buyer's related consulting company	Vendor: companies buyer has dealt with and/or manufacturing representatives Coolby Associates Inc. (Rep)	Amount of \$ received from vendor	Corporation that employed buyer.	
[Redacted]		Coolby Associates Inc. (Rep)		Applied Materials Inc.	
[Redacted]	Cabrillo Associates	Coolby Associates Inc. (Rep)		Nemorex Corp.	
[Redacted]	[Redacted]	Coolby Associates Inc. (Rep)		Andall Inc. AT&T National Seals	
[Redacted]		Coolby Associates Inc. (Rep)		Dieblo Systems	
[Redacted]		Coolby Associates Inc. (Rep)		Zilog Inc. G.C.H. Corporation	
[Redacted]	D.S. Associates	S&S Precision Machine Scientific Custom Metal Products		Acumex	
[Redacted]				Intel Inc.	
[Redacted]					
[Redacted]					
[Redacted]					
[Redacted]					
[Redacted]					
[Redacted]					
[Redacted]					
[Redacted]					
[Redacted]					
[Redacted]					

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37515.98 +  
38799.73 +  
6339.53 +  
20993.21 +  
3258.00 +  
2623.85 +  
2530.00 +  
42057.15 +  
28928.18 +  
100577.37 +  
36860.00 +  
8876.22 +  
53709.45 +  
10755.37 +  
5227.00 +  
11228.00 +  
2400.00 +  
11248.95 +  
3604.00 +  
25382.00 +  
40844.92 +  
78029.45 +  
59904.83 +  
3984.88 +

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## FEDERAL BUREAU OF INVESTIGATION

Date of transcription 12/22/82

[redacted] doing business as Hamilton Manufacturing, Inc., 1928 Hartog Drive, San Jose, California 95131, was advised of the identity of the interviewing Agent, and advised the following:

Since his last interview with the reporting Agent, he reviewed his records concerning the business that Hamilton Manufacturing, Inc. did with Data Pathing. He gave the following sales figures concerning his sales to Data Pathing and they are as follows:

MonthSales

May, 1977  
June, 1977  
July, 1977  
August, 1977  
September, 1977  
October, 1977



[redacted] advised that he was paying [redacted] doing business as Alpine Enterprises, Inc., from December of 1977 until August of 1978, for the business he received from Data Pathing. [redacted] advised that his last payment to Alpine Enterprises was August 9, 1978, at which time he informed [redacted] that he would no longer be paying him for business they received from Data Pathing. [redacted] advised that in August of 1978 they made sales to Data Pathing for [redacted] in September [redacted] in October [redacted] and in November they made no sales to Data Pathing from then on. [redacted] advised that the reason that there were no sales is that he stopped paying [redacted]

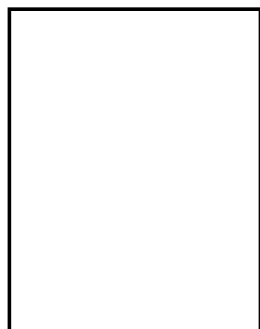
[redacted] provided a folder to this Agent which contained all of the checks paid to Alpine Enterprises, Inc. and invoices for these services. The checks are made out to Alpine Enterprises, Inc., Post Office Box 32361, San Jose, California 95132, drawn on the account of Hamilton Manufacturing, Inc. [redacted] advised that he received invoices from Alpine Enterprises in the mail and that he sent in the mail the

Interviewed on 11/23/82 at San Jose, Calif. File # SF 196B-808

by SA [redacted] /cad Date dictated 11/23/82

2  
SF 196B-808  
JWR/cad

following listed [ ]



Date

January 9, 1978  
February 13, 1978  
March 15, 1978  
April 5, 1978  
May 11, 1978  
June 8, 1978  
June 28, 1978  
August 9, 1978



These are copies of [ ] and their corresponding invoices and have been placed in this file.

[ ] advised that at one time he and [ ] in Select Metal Products. [ ] advised that he left the corporation because he and [ ] business philosophy were different. [ ] advised that shortly before he, [ ] left the corporation, [ ] wanted to arrange the following deal. He wanted to bring in another person into their corporation, Select Metals, and give this individual a small percentage of the ownership of the corporation. [ ] advised that this person also happened to be a buyer at a corporation which they would be dealing with. [ ] advised that he did not go for this idea and shortly after this, he left the corporation. [ ] advised that he does not remember the individual [ ] wanted to bring into the company nor does he recall the corporation that the individual was working for. He advised that this incident happened quite awhile back.

[ ] also advised that he presently does business with [ ] in [ ] company known as C & R Shearing Precision, Ltd., 560 Parrot Street, San Jose, California, telephone (408) 286-2863.

## FEDERAL BUREAU OF INVESTIGATION

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12/22/82

Date of transcription

[redacted], San Jose, California, was advised of the identity of the interviewing Agent and advised the following:

He was shown [redacted] addressed to Hamilton Manufacturing from Managerial Manpower Consultants, Inc. He advised that he has never seen these statements before and that, in fact, when he paid Managerial Manpower Consultants fees, he made out the invoices and charged these expenditures off to various accounts.

[redacted] also viewed from Hamilton Manufacturing records, checks and invoices made out to Alpine Enterprises and he recalled that these checks were paid to Alpine Enterprises for work that they received from Data Pathing when [redacted] was a buyer at Data Pathing. He advised that the invoices received from Alpine Enterprises were very likely received in the mail since he had very little contact with [redacted] and that when Hamilton Manufacturing paid Alpine Enterprises for their services, that these checks were mailed to Alpine Enterprises.

[redacted] advised that to the best of his recollection, these monies paid to Alpine Enterprises were charged to an account which was Planning and Estimating and that these expenditures were written off on the books in that way.

[redacted] advised that he was first made aware that Hamilton Manufacturing was to pay Alpine Enterprises by his partner, [redacted] advised that to the best of his recollection [redacted] told him that in order for them to continue doing business with Data Pathing, they would have to pay Alpine Enterprises these various fees. [redacted] advised that he does not recall how they determined the fees paid to Alpine Enterprises, but that Alpine Enterprises would send them a bill monthly. [redacted] advised that Alpine Enterprises was not paid any money for consulting services, but that this money was paid in relation to the business they received from Data Pathing.

Investigation on 11/23/82 at San Jose, California File # SF 196B-808

by SA [redacted] bad Date dictated 11/23/82



## FEDERAL BUREAU OF INVESTIGATION

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b7CDate of transcription 6/29/82

[ ] telephonically contacted this Agent and advised the following.

He wanted to know if the FBI was still investigating the case concerning the buyers at Atari who were accepting kick-backs. He was advised that we were and that there was a good possibility that the matter would be presented to a Federal Grand Jury. He was further advised that there was a good probability that he would be testifying along with several other witnesses.

[ ] also advised that he was very concerned about Atari cutting him off from wire harness business. He advised that Atari established their own company to build wire harnesses and as a result of this he was loosing a lot of business.

[ ] advised that his concern over the past few months about his loss of business caused him to contact [ ] of Atari and also [ ] of Atari and told them his participation in the FBI's investigation. He further advised that he told them about being wired up with the FBI and that he met with [ ] and [ ] and recorded the conversation. [ ] advised that he did this in order to perhaps show Atari how much he has done for them and the FBI and would be considered in a more favorable light as a vendor. [ ] advised that at the time he had not given too much thought to the fact that this information would get back to [ ] or [ ] and that they perhaps would hold a grudge.

[ ] was advised that there wasn't anything the FBI could do at this point but that he should keep in touch. He was further advised if he should be approached by any of the individuals or threatened in any way, he should contact <sup>this</sup> Agent.

Investigation on 6/28/82 at Palo Alto, California File # SF 196B-808-283

by SA [ ] ~~ma~~ Date dictated 6/28/82

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## FEDERAL BUREAU OF INVESTIGATION

Date of transcription 8/30/82

[redacted] San Jose, California, was interviewed at his place of business. He was advised of the official identity of the interviewing Agent as well as the fact that he was being interviewed in connection with an investigation involving allegations that bribes and kickbacks were paid in order to obtain manufacturing contracts. [redacted] stated that he is aware of this investigation. [redacted] had previously furnished the [redacted] representing kickbacks paid in order to obtain [redacted] [redacted] then provided the following additional information:

[redacted]

Investigation on 8/17/82 at San Jose, California File # SF 196B-808by SA [redacted] ydj b6 b7C Date dictated 8/18/82

GRAND JURY MATERIAL - DISSEMINATE ONLY

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FOR OFFICIAL USE ONLY

## FEDERAL BUREAU OF INVESTIGATION

Date of transcription 9/23/82

[redacted]  
[redacted] California, telephone [redacted]  
was interviewed in the office of his attorney, [redacted]  
located in [redacted] San Jose,  
California. [redacted] was interviewed in the [redacted]  
[redacted] was advised of  
the official identity of the interviewing Agent. He was  
advised that he was being interviewed in connection with an  
investigation involving allegations that bribes and kickbacks  
were being paid to buyers of major manufacturing firms in order  
to obtain manufacturing subcontracts. [redacted] was further  
advised that he was being specifically interviewed as a  
follow-up to a previous interview of [redacted]  
[redacted] then furnished the  
following information:

Interviewed on 9/22/82 at San Jose, Calif. File # SF 196B-808by SA [redacted] cad [redacted] Date dictated 9/22/82

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**GRAND JURY MATERIAL — DISSEMINATE ONLY**  
**PURSUANT TO RULE 6(e), Fed. R. Crim. P.** FBI DOJ

## FEDERAL BUREAU OF INVESTIGATION

Date of transcription 9/20/82

[redacted] San Jose, California, 95120, telephone number [redacted] was advised of the identity of the interviewing Agent and advised the following.

He was shown [redacted] which he had previously supplied to the Federal Grand Jury written to [redacted] signed by himself on the account of [redacted] advised that these [redacted] were paid to MMC because of the business that he received from Atari, Inc. when [redacted] was the buyer for that corporation.

[redacted] further identified a [redacted] dated [redacted] 1981, made payable to MMC Incorporated, in the amount of [redacted] drawn on his account R & B Products. Buckelew advised that this check represented half of the profit he made concerning a particular order that he took from Atari. He advised that to the best of his recollection and he is not absolutely sure of the figures, and has no way of looking at his books to determine the exact figures, but the order was for part number 036258-01, which was a plastic vacuum form front panel for a game called "Battle Zone". [redacted] advised that there were perhaps five thousand of these parts needed by Atari and that [redacted] told him that Atari would pay approximately \$49.00 for this part and is [redacted] could find someone to make it cheaper, whatever profit was made, he would split this with [redacted] advised that [redacted] told him that a company in Arizona was presently handling these parts, however, they were not able to handle the large volume. [redacted] advised that as best he could recall, he would make a profit of \$10.00 per part and that he was going to split the profit down the middle with [redacted] advised that he took the part and brought it to a company in South San Francisco called Ajax and determined from them that they could make the part. [redacted] further advised that Atari made arrangements to tour Ajax factory and establish them as a qualified vendor. [redacted] advised that Atari paid him approximately [redacted] for the order concerning those parts and that the check for [redacted] was half of the profit he made from that deal that he shared with [redacted]

[redacted] advised that none of the checks that he wrote to [redacted] were sent to him through the mail but that they were personally handed to [redacted] picked up the

Investigation on 9/20/82 at San Jose, California File # SF 196B-808

by SA [redacted] dma Date dictated 9/20/82

SF 196B-808

[redacted]

[redacted] advised that he had previously related to this Agent the fact that he met with [redacted] and his attorney in [redacted] attorney's office. [redacted] advised that at the direction of [redacted] he called this interviewing Agent on the telephone from [redacted] attorney's office and with [redacted] instructing him questions to ask this Agent, this Agent was asked various questions concerning the FBI's investigation and the proposed meeting between [redacted] and the FBI. [redacted] advised that [redacted] recorded this conversation that took place on the telephone.

[redacted] further advised that he formerly worked with [redacted] who is the owner of Plastic Products at 1724 Junction Avenue in San Jose, California. He advised that he supplied material to [redacted] at one time and got to know him that way. [redacted] advised that although he was not able to give specifics he felt pretty certain that [redacted] paid various buyers of corporations kickbacks for the business that he received. [redacted] further advised that several months ago in a conversation with [redacted], [redacted] told him that he no longer pays for the business he receives. [redacted] advised that he knows that [redacted] deals with the corporation Versatex, and that the buyer there is [redacted] advised that he does not know for certain but feels sure that [redacted] pays [redacted] for the business he receives because [redacted] was trying to do business with Versatex and never seems able to get an appointment to meet with [redacted]

[redacted] advised that [redacted] also deals with [redacted] who works at Measurex and he felt sure that [redacted] paid [redacted] for the business he received from Measurex. [redacted] further advised that [redacted] used to work for [redacted] was advised that during the course of his business with any of these people that he suspected that were receiving kickbacks that if he should be approached for kickbacks he should stall these individuals and advise the FBI. [redacted] advised that he would do this.

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## FEDERAL BUREAU OF INVESTIGATION

Date of transcription 9/23/82

[redacted] San Jose, California, 95120, was contacted and advised the following.

When he was supplying Plastic Products Incorporated and dealing with [redacted] sometime ago, [redacted] told him that there was a new person at Atari from Washington state and that he was "in-tight" with this individual and that his business should pick up. [redacted] advised that he later learned that this person was [redacted] advised that this prediction did not materialize because [redacted] was not able to meet some of the other quoted prices.

[redacted] advised that [redacted] inquired of him the results of his ([redacted] meeting with the FBI. [redacted] assumed that [redacted] had told [redacted] about his meeting because it was [redacted] who brought it up to him first. [redacted] advised that [redacted] since that time has asked him if the FBI has contacted him any more.

[redacted] further advised that [redacted] told him that when the FBI looked at the books of [redacted] they made the comment that he had more consultants than the President of the United States.

[redacted] advised that [redacted] got [redacted] about [redacted] years ago but since that time has gotten [redacted] He said that [redacted] told him that he had to pay out about [redacted] and that he had to pay this over a period of time.

Investigation on 9/23/82 at Palo Alto, California File # SF 196B-808

by SA [redacted] dma Date dictated 9/23/82

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## FEDERAL BUREAU OF INVESTIGATION

Date of transcription 9/16/82

[redacted] Tempco Engineering, Incorporated, 8866 Laurel Canyon Blvd., Sun Valley, California, 91352, telephone number (213) 765-2118, telephonically advised the following.

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Their company has in their possession three invoices that they received in the mail from Matthews Consulting Service and that he would forward these original invoices to the FBI in Palo Alto. He advised that two of these invoices were paid by

[redacted] dated [redacted], 1981, in the [redacted] and another invoice was paid by [redacted], dated [redacted] 1980, in the [redacted] [redacted] advised that these [redacted] have already been subpoenaed by the Federal Grand Jury and have been turned over to them.

b3

[redacted] advised that he has in [redacted] dated [redacted], 1981 in the amount of [redacted] that was sent in the mail to Matthews Consulting Service for commissions for sales that were made to Atari Incorporated. [redacted] advised that he also has the original invoice that caused this [redacted] and that this invoice was received in the mail from Matthews Consulting Service.

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[redacted] advised that he would [redacted] and the three original invoices and mail them to the FBI in Palo Alto. He further requested that he be sent a written receipt of these invoices and [redacted]

Investigation on 9/16/82 at Palo Alto, California File # SF 196B-808  
by SA [redacted] dma ~~X~~ Date dictated 9/16/82

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FBI/DOJ

# TEMPCO Engineering, Inc.

8866 Laurel Canyon Blvd., Sun Valley, Calif. 91352  
(213) 765-2118 • 875-0613 • 994-8101

September 18, 1982

[redacted]  
Federal Bureau of Investigation  
P.O. Box 11638 Sta. A  
Palo Alto, Ca. 94306

Dear [redacted]

Referring to our telephone conversation 9-16-82,  
enclosed per your request are the following documents:

- (1) [redacted]  
[redacted] "Matthews Consulting Service"  
which was paid by our [redacted]-81
- (2) Statement from Matthews Consulting Service,  
dated [redacted] 80 in the [redacted]  
received by Tempco [redacted]-80 and [redacted] Tempco  
[redacted]-80 per [redacted]
- (3) Statement from Matthews Consulting Service,  
dated [redacted] 81 in the [redacted]  
received by Tempco [redacted] 81 and [redacted] Tempco  
[redacted]-81 per [redacted]
- (4) Statement from Matthews Consulting Service,  
dated [redacted] 81 in the [redacted]  
received by Tempco [redacted]-81 and [redacted] Tempco  
[redacted]-81 per [redacted]

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As previously advised, all three statements from  
Matthews Consulting Service were received through the U.S.  
postal service, and [redacted] made to Matthews Consulting  
Service were mailed by Tempco also through the U.S. postal  
service.

Please acknowledge receipt of these four documents by  
signing and returning the enclosed copy of this letter.

Yours truly,



E. L. STAR, Vice President

RECEIPT OF THE ABOVE DESCRIBED DOCUMENTS  
RECEIVED THIS DATE: \_\_\_\_\_

BY: \_\_\_\_\_ Title: \_\_\_\_\_

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## FEDERAL BUREAU OF INVESTIGATION

Date of transcription 8/10/82

[redacted] Excelfab, 1020 Morse Avenue, Sunnyvale, California, telephone 744-1690, was interviewed at his place of business. He was advised of the official identity of the interviewing Agent. He was advised that he was being interviewed in connection with an investigation involving allegations that bribes and kickbacks were being solicited and paid in exchange for manufacturing contracts. [redacted] was advised that he was being specifically interviewed to determine the reason his firm paid Alpine Enterprises Inc. a number of checks beginning July 23, 1980. [redacted] stated that his firm provides sheet metal fabrication services to major "Silicon Valley" manufacturers. He acknowledged that he has engaged the firm Alpine Enterprises [redacted] to provide his firm with consultation and advice on certain technical and related manufacturing problems. He advised that he employed Alpine Enterprises since approximately mid-1980.

[redacted] was displayed a list consisting of dates and amount of payments his firm made to Alpine Enterprises. This list described as follows:

DATE OF	PAYEE
July 23, 1980	Alpine Enterprises Inc.
October 1, 1980	" "
October 28, 1980	" "
November 21, 1980	" "
February 17, 1981	" "
March 25, 1981	" "
April 23, 1981	" "
May 8, 1981	" "
June 4, 1981	" "
June 17, 1981	" "
June 17, 1981	" "

[redacted] responded that he could not state whether this was an accurate listing of payments he made to Alpine Enterprises Inc. in the period July 23, 1980 to June 17, 1981 without consulting his business records. He stated that he has made additional payments after June 17, 1981 even to the present. [redacted] denied a request of the interviewing Agent to review his books for accurate information concerning all payments his firm made to Alpine Enterprises Inc. He stated that he was unwilling to provide any information about his business unless he was ordered to do so by subpoena.

Investigation on 8/10/82 at Sunnyvale, California File # SF 196B-808  
by SA [redacted] /dma Date dictated 8/10/82

SF 196B-808

[ ] was specifically questioned concerning the way his firm arrived at the specific amounts paid Alpine Enterprises Inc. [ ] stated that he never received a billing invoice from Alpine Enterprises. He stated that he arrived at the amounts he paid Alpine Enterprises based upon his subjective opinion of the value of the services that Alpine Enterprises provided his firm. He denied that he calculated the amounts paid to Alpine Enterprises based upon a percentage of sales.

[ ] stated that during the time that [ ] were employed as consultants they were respectively employed on a full time basis at Data Pathing (now owned by National Cash Register) and Measurex. [ ] stated that he dealt with them on a buyer-vendor basis when he was seeking Data Pathing and Measurex contracts. [ ] stated that he did not consider his consultant-buyer vendor relationship with [ ] to be a conflict of interest on their part. He noted that he considered them to be extremely diligent in looking out for the business interests of their respective employers.

[ ] stated that he was never approached by anyone, including [ ] for the purpose of soliciting a bribe. [ ] stated that he never offered a bribe to anyone. He noted that [ ] Excelfab and operate it on the highest moral principles. [ ] stated that [ ] and [ ] never made any comment that could ever be construed as a request for a bribe. They never told him that he would have to pay them consulting fees if he expected to get work from Data Pathing or Measurex. [ ] advised that he never felt intimidated by [ ]. He noted that he believes that [ ] have provided advice and that they have contributed to the success of his firm.

## FEDERAL BUREAU OF INVESTIGATION

Date of transcription 11/12/82

[redacted] San Jose, California, telephone number [redacted] was advised of the identity of the interviewing Agent and advised the following:

He was shown numerous invoices made out to Scientific Custom Metal Products showing the company NC Programing Services and QC Calibrations and advised that these were invoices submitted by himself to Scientific Custom Metal Products which was the way he had arranged with [redacted] to get his overtime. He advised that he would submit these invoices to [redacted] Bookkeeper, and she would make the check and [redacted] would sign them.

[redacted] advised that during a conversation between he and [redacted] told him that [redacted] and [redacted] had to jump [redacted] because after he received a payment from them he would go out and buy a ring or a bike and show off his wealth.

[redacted] also advised that after the FBI had entered into their investigation concerning [redacted] that he, [redacted] were fishing and that during the course of the conversation about the FBI 's investigation, Marcoccia said that he did not understand why the FBI would be going after him inasmuch as he only got a mere [redacted] said that there were other buyers getting a lot more money than he was.

[redacted] also advised that one time he and [redacted] were riding in [redacted] car and that due to the FBI's investigation, [redacted] had apparently stopped paying 10%. [redacted] made a statement to the effect that since he is no longer paying "the 10% ers" he is getting just as much work from the different corporations. [redacted] said that he jokingly told [redacted] that he should be splitting that 10% between [redacted]

[redacted] also advised that possibly sometime after the FBI originally contacted [redacted] accountant, [redacted] and her assistant, [redacted] were working late one

Investigation on 11/12/82 at San Jose, California File # SF 196B-808  
by SA [redacted] dma Date dictated 11/12/82

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night pulling slips from different job orders which reflected the 10% charge which was the kickbacks. [ ] advised that although the women did not tell him what they were doing, he actually saw the job quotes spread all over the office and knew exactly what was going on.

[ ] further advised that [ ] was a [ ] in Scientific Custom Metal Products when it was first formed and at the same time he was a buyer at Four Phase Systems in Cupertino. [ ] advised that during that time they got some very choice work from Four Phase Systems.

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[ ] advised that later on [ ] wanted to buy his own machine shop and wanted to cash out his interest from Scientific Custom Metal Products. [ ] advised that this caused a blow-up between [ ] and [ ] and since that time [ ] have not been close.

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## FEDERAL BUREAU OF INVESTIGATION

Date of transcription 6/18/82

[redacted], [redacted] San Jose, California, advised the following.

He had worked for [redacted] when [redacted] was one of the partners along with [redacted] of Select Metal Products, Inc., located on Laurelwood Road in Santa Clara, California. [redacted] advised that [redacted] got out of the partnership and was paid off by [redacted]. He advised that [redacted] bought into the company and that [redacted] managed the shop and then he bought his own, Scientific Custom Metal Products.

[redacted] advised that the scuttle-butt among various people was that [redacted] was able to set up various buyers in various corporations that he did business with. [redacted] advised that it was also scuttle-butt that Select Metal Products was paying off [redacted] who was at Atari and also [redacted] who was at Atari.

Investigation on 6/18/82 at Palo Alto, California File # SF 196B-808-281

by SA [redacted] dma X Date dictated 6/18/82

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FBI/DOJ

## FEDERAL BUREAU OF INVESTIGATION

Date of transcription 12/22/82

[redacted] Accounting Coordinator, Four Phase Systems, 10700 North DeAnza Boulevard, Cupertino, California 95014, was advised of the identity of the interviewing Agent and advised the following:

She has had the occasion to review the records of Four Phase Systems and their business relations with vendor [redacted] also known as Scientific Custom Metal Products, Inc. She advised that she has reviewed their records concerning various months in 1977, 1978, 1979, and 1980. She advised that part of her review included reviewing various checks paid by Four Phase Systems to Scientific Custom Metal Products during these years, the amount of sales made to Scientific Custom Metal Products, and the invoices received from them, the purchase orders that initiated this transaction and the buyer at Four Phase who handled the transaction.

She advised that it was the usual practice for a vendor to be sent by mail a confirmation of the purchase order and that he would bill Four Phase Systems by mail for that particular sale and that Four Phase would respond by sending the vendor a check in the mail for the invoice. [redacted] advised that her schedules will reflect numerous transactions that Four Phase Systems had with Scientific Custom Metal Products.

The following schedules were provided this Agent concerning these transactions:

1. A seven page schedule reflecting various transactions done between Four Phase Systems and Scientific Custom Metal Products, Inc. during the year 1977.
2. A schedule reflecting various transactions done between Scientific Custom Metal Products, Inc. and Four Phase Systems during the year 1978. This schedule consisted of ten pages.
3. A schedule of business transactions which were done between Scientific Custom Metal Products, Inc. and Four

Interviewed on 12/17/82 at Cupertino, Calif. File # SF 196B-808

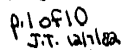
by SA [redacted] ad Date dictated 12/17/82

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Phase Systems for the year 1979 consisting of ten pages.

4. A schedule of business activity between Scientific Custom Metal Products, Inc. and Four Phase Systems for the year of 1980 consisting of five pages.

These schedules have been appropriately filed



Check Date 1979	Computer Check Number	Bank Check Number	Gross Invoices	Discount Taken	Net Amount Paid
1/3			35005		
1/18			603380		
1/29			801510		
2/5			116765		
2/20			90000		
2/26			307095		
5/4			2451398		
5/9			1370295		
5/16			2215819		
5/22			481080		
5/30			339250		
6/6			2259405		
6/13			1504505		
6/20			2515091		
6/27			909775		
8/3			2809780		
8/8			518273		
8/15			2239086		
8/22			1447973		
8/29			1680070		
			2693735		



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Vendor # 576425

Check Date	Computer Check Number	Bank Check Number	Invoice Number	S/A Number (Debit Memo)	Purchase Order Number	Gross Invoice	Discount Taken	Net Amount Paid	Remarks
1/3			6003	S/A 1	7-69402 7-66863				
1/18			6088 6097 6098 6114 6117 6118		7-68851 7-68860 7-68860 7-69402 7-68860 7-68882				
1/29			6140 6141 6142 6143 6147		7-68881 7-66972 7-66972 7-68860 7-68881 7-68881				

Scientific Custom Metal Products, Inc

1979

J.T. 12/17/82

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Vendor # 576425

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Scientific Custom Metal Products, Inc  
1979 J.R.

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Vendor # 576425

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Scientific Custom Metal Products, Inc

1979

J.T. 12/1/82

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Vendor # 576425

Check Date 1979	Computer Check Number	Bank Check Number	Invoice Number	S/A Number (Debit Memo)	Purchase Order Number	Gross Invoice	Discount Taken	Net Amount Paid	Remarks:			
5/30			9492		7-70658							
			9493		7-70657							
			9521		7-70616							
Check Total												
6/6			9535		7-69874							
			9539		7-70624							
			9526		7-69868							
			9528		7-69868							
			9534		7-70624							
			9530		7-69874							
			9531		7-69874							
			9525		7-69868							
			9540		7-70623							
			9538		7-70621							
			9544		7-70616							
			9545		7-69882							
			-	5/10/1	7-70657							
			9541		7-70657							
			9547		7-699364							
			9535		7-699364							
			9546		7-70620							
			9548		7-69881							
			9536		7-70624							
			9527		7-70624							
Check Total												
6/13			9572		7-71104							
			9527		7-69882							
			9529		7-69882							
			9533		7-69874							
			9532		7-69874							
			9581		7-70623							
			9580		7-70622							
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Check Date	Computer Check Number	Bank Check Number	Invoice Number	S/A Number (Debit Memo)	Purchase Order Number	Gross Invoice	Discount Taken	Net Amount Paid	Remarks:
6/13 continued.....	[Redacted]	[Redacted]	9579		7-70659				
	[Redacted]	[Redacted]	9578		7-70657				
Check Total	[Redacted]	[Redacted]							
6/20	[Redacted]	[Redacted]	9477		7-70616				
	[Redacted]	[Redacted]	9479		7-70658				
	[Redacted]	[Redacted]	9469		7-70668				
	[Redacted]	[Redacted]	9467		7-70657				
	[Redacted]	[Redacted]	9468		7-C5941				
	[Redacted]	[Redacted]	9573		7-71180				
	[Redacted]	[Redacted]	9604		7-70620				
	[Redacted]	[Redacted]	9638		7-71180				
	[Redacted]	[Redacted]	9635		7-70631				
	[Redacted]	[Redacted]	9636		7-69882				
	[Redacted]	[Redacted]	9622		7-C5950				
	[Redacted]	[Redacted]	-	S/AQ2	7-69881				
	[Redacted]	[Redacted]	9620		7-70623				
	[Redacted]	[Redacted]	9619		7-C5954				
	[Redacted]	[Redacted]	9646		7-70623				
	[Redacted]	[Redacted]	9647		7-69923				
	[Redacted]	[Redacted]	9649		7-71132				
6/27	[Redacted]	[Redacted]	9483		7-71130				
	[Redacted]	[Redacted]	9482		7-70658				
	[Redacted]	[Redacted]	9478		7-70657				
	[Redacted]	[Redacted]	9474		7-70658				
	[Redacted]	[Redacted]	-	S/AQ1	7-C5950				
	[Redacted]	[Redacted]	9660		7-C5950				
	[Redacted]	[Redacted]	9658		7-70622				
	[Redacted]	[Redacted]	9659		7-71141				
	[Redacted]	[Redacted]	9661		7-71142				
Check Total	[Redacted]	[Redacted]							

Scientific Custom Metal Products, Inc.  
1979 J.T. 12/11/82  
Vendor # 576425 p.8 of 10

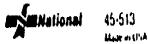
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Scientific Custom Metal Products, Inc.

1979

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Vendor # 576425

Check Date	Computer Check Number	Bank Check Number	Invoice Number	S/A Number (Debit/Memo)	Purchase Order Number	Gross Invoice	Discount Taken	Net Amount	Remarks:			
1979 8/8			9991		7-71705							
			9992		7-71133							
			9993		7-71131							
			9994		7-70631							
			9995		7-70631							
			9996		7-69882							
			9997		7-69882							
Check Total												
8/5			9999		7-71865							
			9989		7-71748							
			9988		7-71703							
			9977		7-71141							
			9970		7-71133							
			9987		7-71132							
			9985		7-70631							
			9978		7-70632							
			10014		7-71745							
			10009		7-71714							
			10007		7-71702							
			10008		7-71702							
			10010		7-71142							
			10032		7-70631							
Check Total												

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**National** 45-513  
Made in USA

Scientific Custom Metal Products, Inc.

1979

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Vendor # 576 425

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Mark on 11/5/84

Scientific Custom Metal Products, Inc.  
Summary 1980 Jan, May, Aug.  
Vendor # 576425 p. 1 of 3

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Scientific Custom Metal Products, Inc

1980

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Vendor # 576425

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Check Date 1980	Computer Check Number	Bank Check Number	Invoice Number	SIA Number (Debit Memo)	Purchase Order Number	Gross Invoice	Discount Taken	Net Amount	Remarks:			
1/4			10701		7-74721							
			10721		7-73357							
1/10			10724		7-73357							
			10658		7-73359							
1/17			10725		7-74724							
			10745		7-73360							
			10723		7-73353							
			10734		7-73352							
			10744		7-73360							
			10765		7-74000							
			10786		7-74798							
			10788		7-73356							
			10775		7-73350							
			10675		7-86799							
1/24			10790		7-74722							
			10803		7-74720							
			10800		7-74706							
			10787		7-74099							
			10792		7-75136							
			10791		7-66972							
			10804		7-66972							
				2401	7-74099							

Scientific Custom Metal Products, Inc

1980

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Vendor # 576425

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Check Date 1980	Computer Check Number	Bank Check Number	Invoice Number	S/A Number (Debit Memo)	Purchase Order Number	Gross Invoice	Discount Taken	Net Amount Paid	Remarks:				
1/30			10801		7-74796				Hand-typed check				
			-	S/A 01	7-71865								
			10838		7-74795								
			10839		7-74797								
			10838		7-74795				Discount only				
			10839		7-74797								
Check Total													
5/15			11881		7-76253								
			11885		7-76216								
			11882		7-76215								
			11880		7-75121								
			11902		7-74794								
			11906		7-92652								
			11896		7-75101								
			11900		7-76256								
			11901		7-76255								
			11948		7-75121								
			11976		7-76297								
			11962		7-76296								
			11975		7-76294								
			11898		7-76257								
			11947		7-76205								
			11899		7-75193								
			11897		7-75107								
			11974		7-76206								

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1980

J.T 2/7/82

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Scientific Custom Metal Products, Inc

Summary 1977 May - August

Vendor# 576425

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J.T. 4/17/09

Check Date	Computer Check	Bank Check	Gross Invoiced	Discounts Taken	Net Amount
1977					
5/6					
5/13					
5/20					
5/25					
5/27					
6/3					
6/15					
6/22					
7/1					
7/9					
7/20					
8/3					
8/11					
8/17					
8/31					

Simon & Schuster Met Products Co.

Order # 571425

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Print Date	Computer Bank	Invoice	SLA	Invoice	Discount	Net	Remarks:
1977	Check	Number	Number	Invoice	Taken	Amount	
3/6	Number	Number	(Debit/Memo)	Number			
		1631		7-63144			Hand-typed check number
		1630		7-63146			
		1634		7-63185			
		1635		7-63186			
		-	5/101	7-63131			
		-	5/101	7-63183			
		1644		7-63185			
		1645		7-63181			
		1645A		7-63181			
		1648		7-63181			
		1649		7-63186			
		1650		7-63181			
Check Total							
5/13		1708		7-63148			
		1692		7-63185			
		1673		7-63187			
		1654		7-63187			
		1677		7-63183			
		1678		7-63186			
		1679		7-63181			
		1689		7-63148			
		1691		7-63147			
		1692		7-63147			
		1694		7-63131			
		1704		7-63147			
		1706		7-63146			
		1707		7-63185			
		1690		7-63187			
		1713		7-63186			
		1714		7-63146			
		1715		7-63185			
		1716		7-63148			
		-	5/101	7-63189			
		-	5/101	7-63131			



Scientific Custom Metal Products, Inc  
Vendor # 576425

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Check Date 1977	Computer Check Number	Bank Check Number	Invoice Number	SIA Number (Debit Memo)	Purchase Order Number	Gross Invoice	Discount Taken	Net Amount Paid	Remarks:
5/20			1724		7-63186				
			1726		7-63644				
			1727		7-63646				
			1728		7-34397				
			1734		7-63185				
				5/A01	7-63118				
			1739		7-63646				
			1740		7-34397				
			1741		7-63647				
				5/A01	7-63185				
Check Total									
5/25			1752		7-63185				
Check Total									
5/27			1749		7-34397				
			1750		7-34397				
			1753		7-62979				
			1761		7-62251				
			1767		7-34397				
			1766		7-63648				
				5/A02	7-34397				
				5/A01	7-24397				
Check Total									
6/3			1768		7-63647				
			1779		7-63636				
			1800		7-63646				
Check Total									

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Scientific Custom Metal Products, Inc  
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Scientific Custom Metal Products, Inc.  
Vendor # 576425

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Scientific Custom Metal Products, Inc

Vendor # 576425

J.T. 12/1/82

1977

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Scientific Custom Metal Products, Inc.

Vendor # 576425

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Check Date	Computer Check Number	Bank Check Number	Invoice Number	S/A Number (Debit Memo)	Purchase Order Number	Gross Invoice	Discount Taken	Net Amount Paid	Remarks:				
8/17			2113-14		7-643479				Repayment of				
			2074		7-643478								
			2182		7-643479								
			2211		7-643477								
			2184		7-643473								
			2183		7-643477								
			2194		7-643481								
			2185		7-643481								
			2183		7-643473								
8/31			2267		7-643473								
			2284		7-643470								
			2289		7-643470								
			2273		7-643470								
			2274		7-643474								
			2275		7-643474								
Check Total													
Check Total													

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Scientific Custom Metal Products, Inc

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Vendor # 576435

Check Date	Computer Check Number	Bank Check Number	Invoice Number	S/A Number (Debit Memo)	Purchase Order Number	Gross Invoice	Discount Taken	Net Amount Paid	Remarks
1978									
1/11			3170		7-65467				
			3203		7-64729-8				
			3205		7-65474				
			3223		7-64729				
			3224		7-65466				
			3226		7-65474				
			3227		7-65474				
			3233		7-65473				
			3233		7-65466				
			3259		7-64729				
			3260		7-64729				
			3261		7-65466				
			3262		7-65404				
			3263		7-65467				
Check Total									
1/18			3285		7-65404				Repayment of loan
			3286		7-65099				
			3287		7-65473				
			3288		7-65474				
			3289		7-66305				
			3299		7-66305				
			3300		7-66337				
			3301		7-65474				
			3303		7-65400				
			3304		7-65474				
			3305		7-66337				
			3306		7-65851				
			3307		7-66309				
			3308		7-65474				
			3317		7-65473				
				S/A 21	7-65474				
			3330		7-65888				
			3331		7-65851				
			3332		7-66308				
			3358		7-65404				
			3359		7-65466				

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Vendor # 576425

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Scientific Custom Metal Products, Inc  
1978 J.T. 12/1/82  
Vendor # 576425 p. 4 of 10

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Check Date	Computer Check Number	Bank Check Number	Invoice Number	S/A Number (Debit Memo)	Purchase Order Number	Gross Invoice	Discount Taken	Net Amount Paid	Remarks:				
1/28			3374		7-65466								
			3373		7-65472								
			3372		7-65404								
			3387		7-65889								
			3388		7-64727-6								
			3375		7-65473								
			3376		7-65474								
			3398		7-66309								
			3411		7-66309								
			3386		7-66308								
			3389		7-65405								
			3399		7-66305								
Check Total													
1/31			3397		7-65404								
			3409		7-64729								
			3410		7-65404								
			3412		7-65864								
			3434		7-66336								
Check Total													
2/8			3423		7-65404								
			3424		7-65889								
			3425		7-65404								
			3427		7-66336								
			3437		7-66309								
			3438		7-65404								
			3439		7-64729								
			3446		7-64729								
			3440		7-64729								
			3441		7-66305								
			3442		7-66308								
			3443		7-65888								
			3448		7-65889								

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Scientific Custom Metal Products, Inc

1978

J.T. 12/1/82

Vendor # 576425

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Check Date	Computer Check Number	Bank Check Number	Invoice Number	S/A Number Debit Memo	Purchase Order Number	Gross Invoice	Discount Taken	Net Amount Paid	Remarks
12/28			3449		7-66309				
continued			3450		7-66307				
			3458		7-66309				
			3447		7-65888				
Check Total									
2/16			3443		7-65888				
			3443		7-65888				
			3481		7-65404				
			3482		7-65405				
			3483		7-65455				
			3484		7-65472				
			3485		7-65492				
			3490		7-66309				
			3491		7-66370				
			3491		7-66370				
			3492		7-65405				
			3493		7-66398				
			3494		7-65492				
			3506		7-66308				
			3507		7-66309				
			3508		7-66395				
			3509		7-66397				
			3511		7-65404				
			3512		7-65404				
			3513		7-66370				
			3514		7-66326				
			3518		7-65404				
			-	3401	7-65455				
			-	3402	7-63185				
			3536		7-66369				
			3537		7-66396				
Check Total									

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Scientific Custom Metal Products, Inc

1978

J.T. 12/1/82

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Vendor # 576425

Check Date	Computer Check Number	Bank Check Number	Invoice Number	S/A Number (Debit/Memo)	Purchase Order Number	Gross Invoice	Discount Taken	Net Amount Paid	Remarks
12/23			3538		7-66308				
			3554		7-66309				
			3553		7-66369				
			3554		7-66370				
			3555		7-66397				
			3556		7-65591				
			3557		7-66369				
Check Total									
2/28				5/12/1	7-65455				
			3574		7-65591				
Check Total									
4/26 wrong date 5/6 5/5			4025		7-66963				
			4029		7-66990				
			3945		7- ?				
			4020		7-66930				
			4029		7-66990				
			4033		7-66990				
Check Total									
5/7			4044		7-66990				
			4046		7-66990				
			4052		7-67562				
			4053		7-66972				
			4052		7-66990				
			4021		7-66963				
			4047		7-66994				
			4309		7-65405				
			4310		7-66933				

This check detail continued on page 7

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Scientific Custom Metal Products, Inc

1978

J.T. 12/1/82

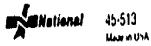
Vendor # 576425

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Check Date	Computer Check Number	Bank Check Number	Invoice Number	S/A Number (Debit Memo)	Purchase Order Number	Gross Invoice	Discount Taken	Net Amount Paid	Remarks				
1978													
5/17 continued			4312		7-65787								
			4314		7-67542								
			4323		7-65787								
			4327		7-67544								
			4324		7-66998								
			4335		7-67538								
			4336		7-66972								
			4323		7-66994								
			4045		7-66998								
			-	S/A 22	7-65787								
			-	S/A 01	7-65787								
			4344		7-67544								
			4345		7-66972								
			-	S/A 01	7-66936								
Check Total													
5/25			4371		7-65787								
			4371		7-67542								
			4401		7-67538								
			4412		7-66936								
			4413		7-67538								
			4376		7-66990								
			4388		7-67538								
			4389		7-67544								
			4390		7-67544								
			4391		7-67542								
			4392		7-66990								
			4393		7-66998								
			4394		7-66994								
			4395		7-66994								
			4396		7-67544								
			4399		7-67542								
			4400		7-67539								
Check Total													

(8.59) discount

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Scientific Custom Metal Products, Inc  
1978 J.T. 12/1/82  
Vendor # 516425 p.8 of 10

Check Date	Computer, Check Number	Bank Check Number	Invoice Number	S/A Number (Debit Memo)	Purchase Order Number	Gross Invoice	Discount Taken	Net Amount Paid	Remarks:
1978 6/5			3969		7-66833				
			4398		7-66999				
			4376-4		7-67544				corrects overpayment
			4470		7-67580				
			4471		7-67538				
			4472		7-66933				
			4474		7-67538				
Check Total									
1978 6/14			4473		7-66936				
			4497		7-66936				
			4498		7-66972				
			4499		7-67582				
			4534		7-67542				
			4535		7-05727				
			4537		7-66998				
			4536		7-66972				
			4538		7-67581				
			4540		7-05727				
			4545		7-67582				
			4546		7-67542				
			4547		7-66972				
				S/A 03	7-05727				
			4579		7-67542				
			4580		7-67538				
Check Total									

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Scientific Custom Metal Products, Inc  
1978 J.T. 12/1/82  
Vendor # 576425 p.9 of 10

Check Date	Computer Check Number	Bank Check Number	Invoice Number	S/A Number (Debit Memo)	Purchase Order Number	Gross Invoice	Discount Taken	Net Amount Paid	Remarks:
1978 6/29			4640		7-67581				
				S/A 01	7-66990				
			4628		7-68106				
			4629		7-67585				
			4680		7-66936				
			4635		7-66936				
			4649		7-68136				
			4650		7-68147				
			4652		7-66990				
			4653		7-67581				
			4654		7-67580				
			4655		7-65787				
			4678		7-67542				
Check Total									
1978 7/14			4697		7-66972				
			4682		7-66972				
			4688		7-66972				
			4686		7-68162				
			4718		7-66936				
			4719		7-67542				
			4720		7-67538				
Check Total									

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Vendor #.576425

[illegible]

## FEDERAL BUREAU OF INVESTIGATION

1Date of transcription 12/22/82

[redacted] Four Phase Systems, Inc., 10700 North DeAnza Boulevard, Cupertino, California 95014, was advised of the identity of the interviewing Agent and provided the following information:

She advised that she reviewed the files of Four Phase Systems concerning their business with Vendor #223859 which was Hamilton Manufacturing, Inc. She advised that her review included all of the business that Four Phase did with Hamilton Manufacturing, Inc. for the month of June, July, August, September, and October. She advised that her review included the payments that Four Phase System made to Hamilton Manufacturing for the sales that were made to Four Phase and included also a list of each invoice sent by Hamilton Manufacturing and also the purchase order that documented that transaction. She advised that she in most cases also identified the buyer connected with that transaction. [redacted] advised that normally purchase orders would be confirmed with the vendor company by sending them a copy of the purchase order in the mail and that they would receive through the mail, the invoices from the various vendors and that they would pay these vendors by check and would use the mail to send them the check.

[redacted] provided this Agent with an eleven page summary which she had initialed and dated December 7, 1982 and had detailed the business activity between Hamilton Manufacturing, Inc. and Four Phase Systems. This document has been placed in this file.

Interviewed on 12/17/82 at Cupertino, Calif. File # SF 196B-808  
by SA [redacted] cad Date dictated 12/17/82

Check Date	Computer Check	Bank Check	Gross Invoice	Discount Taken	Net Amount Paid
1980					
6/5					
6/12					
6/19					
6/26					
7/10					
7/17					
7/24					
7/31					
8/7					
8/18					
8/14					
8/21					
8/28					
9/4					
9/5					
9/11					
9/18					
9/25					
10/2					
10/9					
10/23					
10/30					



National 45-513  
Made in USA

Hamilton Manufacturing, Inc

1980

J.T. 12/1/82

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Vendor # 223859

Check		Computer	Bank	Invoice	S/A	Purchase	Gross	Discount	Net	Remarks:		
Date		Check	Check	Number	Number	Order	Invoice	Taken	Amount			
1980												
6/5				3/2213		7-76929						
				3/2254		7-76912						
				3/2274		7-92671						
				3/2275		7-92672						
				3/2276		7-92672						
Check Total												
6/12				3/2297		7-76928						
				200146		7-74711						
				3/2288		7-76217						
				3/2290		7-76219						
				200450		7-74711						
				3/2287		7-92672						
				3/2291		7-76280						
				3/2289		7-76218						
				3/2297		7-76929						
				100702		7-74717						
				200453		7-76260						
				200454		7-76925						
				3/2314		7-92674						
Check Total												
6/19					3/2291	7-76217						
				3/2264		7-76926						
				3/2350		7-76940						
				3/2350		7-76966						
Check Total												

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Hamilton Manufacturing, Inc

1980

J.T. 12/18/82

p. 3 of 11

Vendor # 223859

Check Date	Computer Check Number	Bank Check Number	Invoice Number	S/A Number (Debit Memo)	Purchase Order Number	Gross Invoice	Discount Taken	Net Amount Paid	Remarks:
1980 6/26			53028017		2-A 1113				516 Hamilton - Arnet
			200439		7-76209				
			3/2284		7-92679				
			100703		7-92677				
			3/2287		7-92675				
			100704		7-76958				
			200458		7-76926				
			200461		7-74744				
			3/2408		7-76915				
Check Total									
7/10			3/2318		7-76959				
			3/2418		7-92683				
			3/2449		7-92682				
			3/2458		7-92674				
			3/2459		7-92674				
			100706		7-76923				
			3/2469		7-92687				
			3/2467		7-92683				
			3/2472		7-92683				
			3/2468		7-92682				
			3/2473		7-92682				
			3/2447		7-92673				
			100707		7-76969				
			3/2476		7-76941				
			3/2474		7-76915				
			200459		7-93743				
			200460		7-93743				
Check Total									

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# Hamilton Manufacturing, Inc

1980

J.T. 12/1/82

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Vendor # 223859

Check Date	Computer Check Number	Bank Check Number	Invoice Number	S/A Number (Debit Memo)	Purchase Order Number	Gross Invoice	Discount Taken	Net Amount Paid	Remarks:		
1/17			312486		7-77744						
			200485		7-92687						
Check Total											
7/24			312431		7-92683						
			312433		7-92683						
			312432		7-92682						
			312434		7-92682						
			312575		7-92683						
			312548		7-92683						
			312549		7-92682						
			312556		7-78998						
				5/10/1	7-76249						
				5/10/1	7-76209						
			200494		7-05767						
			200492		7-05767						
			200493		7-05767						
			200495		7-05772						
			200496		7-05772						
			200497		7-05772						
			200492		7-76209						
Check Total											
7/21			200479		7-76250						
Check Total											

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Hamilton Manufacturing, Inc  
1980  
Vendor # 223859

J.T. 12/1/82  
P. 3 of 11

Check Date	Computer Check Number	Bank Check Number	Invoice Number	S/A Number (Debit/Memo)	Purchase Order Number	Gross Invoice	Discount Taken	Net Amount Paid	Remarks
1980									
8/7			3/2513		7-92687				
			200486		7-92676				
			200515		7-92678				
			200514		7-92678				
			200515		7-92678				
			3/2596		7-78004				
			3/2446		7-76767				
				3/401	7-76767				
			3/2411		7-76767				
			3/2440		7-76737				
			200510		7-76767				
			200478		7-76250				
			200465		7-74744				
Check Total									
8/8			200506		7-92676				
			200505		7-92676				
			3/2596		7-78004				
			1007111		7-76781				
			3/2599		7-97229				
			3/2585		7-97229				
			200490		7-76262				
			3/2590		7-77861				
			200507		7-92678				
			3/2554		7-74764				
			Discount		Various				
Check Total									

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Hamilton Manufacturing, Inc  
1980  
Vendor # 223859

J.T. 12/1/82  
p. 6 of 11

Check Date	Computer Check Number	Bank Check Number	Invoice Number	SIA Number (Debit Memo)	Purchase Order Number	Gross Invoice	Discount Taken	Net Amount	Remarks
8/14			200517		7-76261				
			200518		7-76261				
			312620		7-78003				
			312621		7-78004				
			312658		7-78004				
			100714		7-76261				
				5/101	7-74764				
				5/102	7-70661				
			312110		7-76203				
				5/101	7-76203				
			200520		7-93790				
			200519		7-93790				
			312670		7-92694				
			312671		7-92694				
Check Total									
8/21			200522		7-70661				
			312614		7-92694				
			312593		7-78066				
			312686		7-78061				
			200523		7-78112				
			312694		7-78117				
			200522		7-76263				
			200525		7-76252				
			200521		7-76251				
			312666		7-76217				
			312666		7-76217				
			200528		7-24305				
Check Total									

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Vendor # 223859

[illegible]

Hamilton Manufacturing, Inc  
1980

J.T. 12/182  
p 8 of 11

Vendor # 223859

Check Date	Computer Check Number	Bank Check Number	Invoice Number	S/A Number (Debit/Memo)	Purchase Order Number	Gross Invoice	Discount Taken	Net Amount Paid	Remarks:
1980									
9/11			200520		7-78263				
			212771		7-92694				
			212777		7-92694				
			212764		7-92694				
			212760		7-78093				
			100719		7-78061				
			212763		7-78050				
			100718		7-78024				
			212779		7-78022				
			200529		7-78022				
Check Total									
9/18			212788		7-92686				
			212765		7-92694				
			212782		7-92694				
			212781		7-92694				
			212783		7-92694				
			212787		7-92694				
			212720		7-78081				
			212821		7-78078				
			212807		7-78077				
			212766		7-78074				
			212838		7-78073				
			212805		7-78071				
			200541		7-78330				
			100720		7-78024				
			200540		7-78323				
			212840		7-92694				
Check Total									

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J.T. 12/1/82  
p. 9 of 11

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[illegible]



Hamilton Manufacturing, Inc.

1980

Jr. White

Vendor #223859

p. 10 of 11

Check Date	Computer Check Number	Bank Check Number	Invoice Number	S/A Number (Debit Memo)	Purchase Order Number	Gross Invoice	Discount Taken	Net Amount Paid	Remarks
1980 10/9			312930		7-78072				
			312842		7-78070				
			312841		7-78051				
			200552		7-78027				
			312902		7-78105				
				51001	7-92699				
			312951		7-78070				
			312950		7-78051				
Check Total									
1980 10/23			200551		7-78056				
				51001	7-92674				
			313002		7-78726				
			313004		7-78725				
			313007		7-78724				
			312917		7-78707				
			312976		7-78076				
			313002		7-78019				
			313001		7-04349				
			313015		7-04349				
			100724		7-78728				
			313020		7-04349				
			312317		7-76929				
			312317		7-76929				
			312636		7-07702				
			200504		7-76209				
			312956		7-78077				
			313033		7-78080				
			313059		7-78725				
			313046		7-04349				
			200558		7-78028				
			200560		7-78022				
			313024		7-78727				
			200561		7-04358				
Check Total									

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Hamilton Manufacturing, Inc  
1980

J.T. 12/1/82

p. 11 of 11

Vendor # 223859

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b7c

Check Date	Computer Check Number	Bank Check Number	Invoice Number	S/A Number	Purchase Order Number	Gross Invoice	Discount Taken	Net Amount	Remarks				
1980													
10/30			200562		7-78728								
			3/3051		7-78727								
			3/3187		7-78724								
			100726		7-78719								
			3/3052		7-78723								
			3/3117		7-78728								
			3/3118		7-78724								
			3/3052		7-78720								
Check Total													

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## FEDERAL BUREAU OF INVESTIGATION

1Date of transcription 12/22/82

[redacted] Accounting Department, Four Phase Systems, Inc., 10700 North DeAnza Boulevard, Cupertino, California 95014, was advised of the identity of the interviewing Agent and advised the following:

He provided a termination form for [redacted] Employee [redacted]. The form indicated that [redacted] was hired by Four Phase on [redacted], 1975 and was terminated on [redacted], 1979. The reason for the termination indicated that [redacted] was changing his career path.

[redacted] provided a termination form on [redacted] Employee [redacted] which indicated that [redacted] was hired on [redacted] 1979, and that his employment was terminated on [redacted] 1980. The form indicated that the reason for his termination was for poor work performance. These termination forms have been placed in this file.

Interviewed on 11/29/82 at Cupertino, California File # SF 196-808

by SA [redacted] /cad Date dictated 11/29/82

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FBI/DOJ

## FEDERAL BUREAU OF INVESTIGATION

Date of transcription 10/18/82

1

[redacted] Finance, Acurex Corporation, 485 Elyde Avenue, Mountain View, California was interviewed at his place of business. He was advised of the official identity of the interviewing Agent. He was further advised that he was being recontacted in connection with an investigation involving allegations that bribes and kickbacks were being paid to buyers of major manufacturing firms by vendors seeking manufacturing subcontracts. [redacted] stated that he has had an opportunity to check his firm's records concerning former Acurex buyers [redacted]. He determined that no one by the name of [redacted] was ever employed by Acurex. [redacted] further stated that he had an opportunity to secure a listing of subcontracts, valued in excess of [redacted] let to Acurex vendor Scientific Custom Metal Products in the period August 1980 thru July 1982. [redacted] then supplied the following information:

[redacted] stated that [redacted] was hired as a buyer for Acurex in June 1980, as part of a work furlough program. Reynolds was on probation at the time since he had been convicted of a drug charge in San Jose, California. On June 23, 1981, [redacted] without notice, terminated his employment at Acurex. He called Acurex from San Francisco International Airport to inform his employer that he was leaving to relocate in Boulder, Colorado. Prior to his employment at Acurex, [redacted] was employed by the following firms:

1975 - 1977	Employed as a buyer for Quantor Corporation
1977 - 1978	Employed as a purchasing manager for Macrometetics Corporation
1978 - 1979	Employed as a purchasing manager for Hill Manufacturing Inc.
1979 - 1980	General Shop manager for Intrepid Enterprises.

Investigation on 10/8/82 at Mountain View, California File # SF 196B-808

by SA [redacted] /jaa Date dictated 10/8/82

SF 196B-808  
HJM/jaa

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[ ] advised that [ ] would not be subject to rehire at Acurex. There were no specific complaints concerning [ ] ability. However, most of the Acurex managers that [ ] questioned concerning [ ] indicated that they did not trust [ ] stated that [ ] was hired as a buyer for Acurex on March 9, 1979. He terminated his employment at Acurex on June 10, 1980. He would be subject to rehire. There was no derogatory information concerning [ ] job performance or character. Prior to his employment at Acurex, [ ] was employed by the following firms:

March, 1974 to April 1977	Employed as Senior Purchasing Agent for Rawteh
September, 1968 to March, 1974	Employed as Shipping Supervisor for Amcorp Corporation

[ ] stated that [ ] is currently employed by a Santa Clara California printed circuit board manufacturer. He also is employed as a sales representative for a firm known as Multi Layers Incorporated.

[ ] stated that a [ ] was the supervisor of Reynolds and Sanchez at Memorex. [ ] left Memorex in 1981. He is currently employed by Televideo in Sunnyvale, California.

[ ] stated that after Reynolds left Acurex, many of the vendors that [ ] used were discontinued because they charged too much. [ ] specifically noted that R and L Associates appeared on Acurex records to be an actual supplier of printed circuit boards. In fact, [ ] learned that R & L Associates was a manufacturer's representative firm that subcontracted work out to various printed circuit board firms. [ ] also discontinued use of the firms Campbell Precision Sheet Metal and Fabco that had also been used by [ ] noted that there was a significant drop in business with vendor Scientific Custom Metal Products Incorporated because this firm charged too much.

[ ] further supplied listings of other sheet metal machine shop and printed circuit board vendors used by Acurex.

[ ] noted that correspondence with Acurex vendors including solicitations for bids and payments for work done are routinely handled through the U.S. Mail.

## FEDERAL BUREAU OF INVESTIGATION

Date of transcription 9/7/82

[redacted]  
Acurex Corporation, 555 Clyde Avenue, Mountain View, California, telephone 964-3200, was interviewed at his place of business. [redacted] was interviewed in the presence of [redacted] Corporate Administration, Acurex. [redacted] were advised of the official identity of the interviewing Agent. They were advised that they were being contacted in connection with an investigation involving allegations of the payment of kickbacks to buyers of manufacturing firms in order to obtain manufacturing subcontracts. They were advised that in the course of the FBI investigation, information was developed that three former Acurex buyers maintained a "consultant-client" relationship with one of Acurex's vendors. The buyers were identified as [redacted] The vendor was identified as Scientific Custom Metal Products, Inc. It was made clear to [redacted] that this information of itself should not be interpreted as a clear fact that these individuals and firm were engaged in kickbacks. The following requests for specific information were made to [redacted] and [redacted]

1. Acurex employment history information on [redacted] [redacted] as well as the identities of all vendors that they handled as buyers for Acurex.

2. Specific information on the amounts of subcontracts let to Scientific Custom Metal Products, Inc.

3. The identities of all Acurex buyers that handled vendor Scientific Custom Metal Products, Inc.

[redacted] advised that he would attempt to gather the information requested and supply it to the interviewing Agent as soon as possible.

[redacted] stated that Acurex has a formal internal policy prohibiting the acceptance by employees of substantial gifts (anything over \$10-\$15) from an Acurex client or vendor. Further, Acurex requires its employees to disclose any outside

Interviewed on 9/1/82 at Mountain View, Calif. File # SF 196B-808

by SA [redacted] cad Date dictated 9/1/82

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SF 196B-808  
HJM/cad

employment or business relationship that may be construed  
as a conflict of interest.

## FEDERAL BUREAU OF INVESTIGATION

b6  
b7cDate of transcription 10/4/821

[redacted] Adcotech Corporation, 575 Maude Court, Sunnyvale, California, telephonically contacted the Palo Alto Resident Agency of the FBI. [redacted] stated that he was calling to provide information requested of him earlier by the interviewing Agent. [redacted] stated that he had reviewed Adcotech Corporation's records to determine the amount of business his firm subcontracted to Scientific Custom Metal Products Inc., Two Suns Manufacturing and S & S Precision Inc. [redacted] stated that Adcotech has never used the firm Two Suns Manufacturing. [redacted] stated that since 1980 to the present his firm has subcontracted an average of \$3,000 per month worth of subcontract work to Scientific Custom Metal Products Inc.. [redacted] further advised that since 1980 to the present his firm has subcontracted an average of \$2,500 per month worth of subcontracted work to S & S Precision. [redacted] noted that these two firms supplied entirely different lines of work. These firms never submitted competitive bids against each other.

[redacted] advised that [redacted] was the Adcotech buyer that handled subcontracts with Scientific Custom Metal Products and S & S Precision. [redacted] stated that his firm's records show that [redacted] last known residence is [redacted] in San Jose, California. [redacted] stated that [redacted] left Adcotech to work for a firm that manufactures equipment in the word processing area.

Investigation on 9/28/82 at Palo Alto, California File # SF 196-808

by SA [redacted] jaa Date dictated 9/28/82



## FEDERAL BUREAU OF INVESTIGATION

1Date of transcription 9/23/82

[redacted] Adcotech Corporation, 575 Maude Court, Sunnyvale, California, telephone (408) 733-2820, was interviewed at his place of business. He was interviewed in the presence of [redacted] Adcotech. He was advised of the official identity of the interviewing Agent. He was also advised that he was being interviewed in connection with an investigation involving allegations that kickbacks and bribes were being paid to buyers of major manufacturing firms by vendors seeking manufacturing contracts. [redacted] was further advised that his firm was being contacted to identify the vendors and buyers that handled sheet metal subcontracts for Adcotech. He was specifically requested to locate subcontract information concerning Scientific Custom Metal Products, Inc.

[redacted] was further advised that the FBI's inquiries concerning Scientific Custom Metal Products, Inc. should not be interpreted as a fact that Scientific Custom Metal Products, Inc. was engaged in paying kickbacks. He was advised that his firm was contacted because it was known that Scientific Custom Metal Products, Inc. had a substantial number of sheet metal contracts with his firm. [redacted] was also requested to furnish the names of the other firms that his firm contracted to do sheet metal work.

[redacted] stated that up to about six months ago, his firm had employed [redacted] as a buyer to handle subcontracts with Adcotech's vendors. No information ever came to his attention that would indicate that [redacted] had ever handled her job at Adcotech in an unprofessional manner. [redacted] stated that his firm enforces a standard of conduct on the part of its employees which prohibits receiving kickbacks or any other favors from Adcotech's vendors.

[redacted] stated that he would attempt to locate the requested vendor information concerning the dollar amounts of all subcontract work let to Scientific Custom Metal Products, Inc. from 1980 to the present, as well as the identities of all vendors supplying sheet metal work to his firm.

Interviewed on 9/16/82 at Sunnyvale, Calif. File # SF 196B-808  
by SA [redacted] /cad Date dictated 9/16/82

## FEDERAL BUREAU OF INVESTIGATION

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b7CDate of transcription 9/20/821

[redacted] of Corporate Security, Amdahl Inc., 1250 Argues Avenue, Sunnyvale, California was contacted at his place of business. He was advised of the official identity of the interviewing Agent. He was also advised that the Federal Bureau of Investigation (FBI) has been conducting an investigation concerning allegations that bribes were being paid to buyers of major corporations by vendors seeking manufacturing contracts.

[redacted] was advised that his firm was being contacted to resolve allegations that [redacted] buyer and [redacted] purchasing manager, may be involved in this activity. [redacted] was specifically requested to supply past and current employment data on [redacted] including a description of their job responsibilities at Amdahl and a list of vendors they handled.

[redacted] advised that [redacted] continues to be employed at Amdahl as a senior purchasing manager. He stated that he would attempt to locate the employment and vendor information that was requested.

Investigation on 9/15/82 at Sunnyvale, California File # SF 196B-808

by SA [redacted] JAA Date dictated 9/15/82

## FEDERAL BUREAU OF INVESTIGATION

Date of transcription 10/18/82

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[redacted] Investigations and Special Programs, Amdahl Corporation, 3201 Scott Blvd. Sunnyvale, California, telephone (408)746-6476 was interviewed at his place of business. He was advised of the official identity of the interviewing Agent. He was further advised that he was being re-contacted in connection with an investigation concerning allegations that buyers for major manufacturing firms were being paid kickbacks by vendors seeking manufacturing subcontracts. [redacted] stated that he has had an opportunity to review his firm's records concerning the employment history of two of his firm's buyers, [redacted] and [redacted]. He then supplied the following information:

[redacted] supplied the following personnel data concerning [redacted]

Full Name:	[redacted]
Date of Birth:	[redacted]
Citizenship:	United States
Social Security Account Number:	[redacted]
Marital Status:	Married to [redacted]
Children:	Two Children
Education:	Attended Reedly, California Junior College with a major in Industrial Engineering. He did not secure a degree
Residence:	[redacted] San Jose, California
Residence Telephone:	[redacted]
Dates of Employment at Amdahl:	Hired [redacted] 1978 and Terminated on [redacted] 1982 to enter a "personal venture."
Duties at Amdahl:	Manager of Electrical purchasing and planning. [redacted] supervised an inventory valued at approximately \$40 million dollars annually.

Investigation on 10/8/82 at Sunnyvale, California File # SF 196B-808

by SA [redacted] /jaa Date dictated 10/8/82

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HJM/jaa

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Supervisors at  
Amdahl:

[Redacted]

**PRIOR EMPLOYMENTS:**

[Redacted] 1965 - [Redacted] 1965: District Freight  
Agent at the Santa Fe Railway Company, Wichita, Kansas.  
[Redacted] 1965 - [Redacted] 1972: A.V. Electronics, Inc.,  
Fresno, California.  
[Redacted] 1972 - [Redacted] 1974: Senior Corporate Buyer,  
Vidar Corporation, 77 Ortega Avenue, Mountain View, California.  
[Redacted] 1974 - [Redacted] 1978: Purchasing Manager, GCA  
Corporation, 1050 Kifer Road, Sunnyvale, California.

[Redacted] supplied the following personnel data  
concerning [Redacted]

Full Name:  
Date of Birth:  
Citizenship:  
Social Security  
Account Number:  
Marital Status:  
Ex-Wife:

[Redacted]  
United States

[Redacted]  
Single

Education:

[Redacted]  
Mountain View, California  
Obtained a B.S. Degree in  
[Redacted] from San Diego State  
University

Residence:

[Redacted]  
San Jose, California

Dates of Employment  
at Amdahl:

Hired [Redacted] 1980 and  
[Redacted] 1982

Duties at Amdahl:

Senior Buyer responsible for  
purchasing machinery castings,  
hardware and plastic fabricated  
parts for Amdahl.

Supervisor at  
Amdahl:  
Current Employer:

[Redacted]  
Memorex Corporation

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PRIOR EMPLOYMENTS:

[ ] 1976 - [ ] 1977: Senior Buyer for  
Quantor. [ ] 1977 - [ ] 1979: [ ]  
at Adcotech, 575 Maude Court, Sunnyvale, California.  
[ ] 1979 - [ ] 1979: Senior Buyer at  
Atari. Supervised by [ ]  
[ ] 1979 - [ ] 1980: Senior Buyer at C.D.I.

[ ] also supplied a list of vendors used by  
[ ] when he supervised the mechanical section of Amdahl.  
[ ] also noted specific vendors utilized by [ ]  
These vendors are:

ABC Manufacturing  
545 Aldo  
Santa Clara, California 95050  
Contracts let in 1981: None

Aluminum Louvre  
159 Express St.  
Plainview, New York 11803  
Contracts let in 1981: [ ]

Basic VI  
1400 Stierlin Road Bldg. A-1  
Mt. View, California 94043  
Contracts let in 1981: [ ]

Dependable Precision  
446 Robert Ave.  
Santa Clara, California 95050  
Contracts let in 1981: [ ]

Fantron Manufacturing  
701 Aldo Ave, Unit #33  
Santa Clara, California 95050  
Contracts let in 1981: [ ]

J.D. Engineering  
1729 Dell Ave.  
Campbell, California 95008  
Contracts let in 1981: [ ]

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Meadows Manufacturing  
650 Taylor Ave.  
Sunnyvale, California 94086  
Contracts let in 1981: \$14,571.80

Metal Masters  
14410 E. Nelson Ave  
City of Industry, California 91744  
Contracts let in 1981: \$110,602.43

Polarcraft  
431 Nelo St.  
Santa Clara, California  
Contracts let in 1981: None

Precision Swiss Products  
2211 "A" Fortune Dr.  
San Jose, California 95131  
Contracts let in 1981: \$11,903.31

Quality Products  
1550 Norman Ave  
Santa Clara, California 95050  
Contracts let in 1981: \$1,235,556.95

Quest Ind.  
100 Kitty Hawk Way  
Mt. View, California 94041  
Contracts let in 1981: \$6,604.10

Reliable Patterns Works  
106 Stockton Ave.  
San Jose, California 95126  
Contracts let in 1981: \$6,032.84

Western Precision  
230 Commercial St.  
Sunnyvale, California 94086  
Contracts let in 1981: \$7,269.68

Allen Tool  
918F Independence Avenue  
Mt. View, California 94043  
Contracts let in 1981: \$4,501.00

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Bayshore Machine Works  
2612 E. Bayshore Frontage Road  
Mt. View, California 94043  
Contracts let in 1981: None

Boss Tool & Manufacturing  
560 Charcot St.  
San Jose, California 95131  
Contracts let in 1981:

Golden Associates  
10851 Brookwell Drive  
Cupertino, California 95014  
Contracts let in 1981:

Moosman Tool  
85 Gilman Avenue  
Campbell, California 95008  
Contracts let in 1981:

Leopold Machine  
1052 American Street  
San Carlos, California 94070  
Contracts let in 1981:

Silicon Valley Precision  
2990 Scott Blv.  
Santa Clara, California 95050  
Contracts let in 1981: None

T.J. Machine  
75 Cristich Lane  
Campbell, California 95008  
Contracts let in 1981: None

advised that there were a number of vendors who are rumored within the industry to be overly friendly to buyers. These vendors are:

Basic VI  
Continental Plastics  
Golden Associates  
Hill Manufacturing  
Meadows Manufacturing  
Quality Products  
Thorberg Metal Products

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HJM/jaa

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[redacted] noted that [redacted] had sent a letter of commendation to [redacted] praising the way [redacted] had handled his account. [redacted] stated that no derogatory information has come to the attention of anyone at Amdahl concerning the manner in which [redacted] handled their jobs at Amdahl. No one has ever questioned the professional conduct of these two individuals.

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FEDERAL BUREAU OF INVESTIGATION

b6  
b7cDate of transcription 1/30/81

[redacted] Advanced Technology Laboratories, Inc. (ATL), 13208 Northrup Way, Bellevue, Washington, 98005, advised as follows:

A review of records of his company reflect that his company has purchased a steel cart from Two Suns, Inc. of Santa Clara, California. This cart was developed by the Engineering Department and bids were obtained from various companies by the Engineering Department. These bids ranged from \$197.00 to \$438.00 per cart. Following standard procedure, the information concerning the cart was furnished to the Purchasing Department and he recalls having seen a memo from [redacted] who is a purchasing manager, indicating that it would be possible to purchase the carts from Two Suns, Inc. for a price which he believes was approximately \$198.00. Upon review of the existing records concerning price quotations for these carts, he has located a quotation request form dated September 2, 1980. This form is handwritten and reflects the price for the carts at \$227.50 each for an order of 250 carts and \$215.00 each for an order of 500. This quotation request form is not signed by a representative of Two Suns but is signed by [redacted] the purchasing manager for ATL. This is unusual inasmuch as the form is generally completed and signed by the company giving the price quotation and it appears that the quotation may have been received by Jones over the telephone.

The company had not done business with Two Suns prior to this. It is possible, although he does not know this to be a fact, that [redacted] may have previously done business with Two Suns through a company by which he was previously employed and, therefore, consulted Two Suns for a bid in connection with these carts. This would not be unusual inasmuch as a buyer or other person in the Purchasing Department may know of sources in addition to those the company has previously used and these sources may be consulted for quotations.

[redacted] has been employed since [redacted] 1980 as a purchasing manager at ATL. Prior to that time he was employed for a short period of time as a consultant by ATL. It appears from reviewing the records that early dealings with Two Suns were handled by [redacted] however, subsequent dealings have been handled by a buyer with the first name of [redacted]. Contact with the supplier would normally be handled

Investigation on 1/28/81 at Bellevue, Washington

by SA [redacted] /sbk Date dictated

by a buyer rather than the purchasing manager.

The records reflect his company has made four payments to Two Suns in connection with the purchase of carts. The [redacted] was [redacted] 1980, in the amount of [redacted]. This was a payment for two Prototype carts at [redacted] each, with a 1% discount. The [redacted] was [redacted] 1980, in the amount of [redacted] which represented payment of [redacted] for carts and [redacted] for tooling. The third payment was [redacted] in the amount of [redacted] which was payment for 10 carts at [redacted] each. The last payment was [redacted] 198, in the amount of [redacted] which was payment for 9 carts at \$275.00 each.

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Upon reviewing all the documentation concerning dealings with Two Suns he has discovered that although the original quotation request for Two Suns was \$215.00 each for 500 carts and he believes a purchase order was issued in this amount, the billing from Two Suns has been for more than \$215.00 per cart. Ten carts were billed at \$230.00 each. In connection with the carts they were originally painted blue and white and subsequently some of the carts were ordered pumpkin rather than blue and thus were given a different part number, however, they were billed \$275.00 each for these carts. He feels that this price discrepancy is excessive for the minor difference in paint color.

Two Suns is currently delinquent in shipments inasmuch as carts which were due to be received in mid-January have not yet been received. It is possible that Two Suns may ask for an expediting charge in order to get the carts delivered in time; however, no indication of a request of this type has been received at this time.

## FEDERAL BUREAU OF INVESTIGATION

1Date of transcription 1/30/81

[redacted] for Finance, Advanced Technology Laboratories, Inc., 13208 Northrup Way, Bellevue, Washington, 98005, advised that a review of records for his company reflect that his company has made purchases from Two Suns, Inc., of Santa Clara, California. From a check of records it appears that they first did business with Two Suns in October 1980. [redacted] advised that he would further review company records concerning dealings with Two Suns and would make additional information available.

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Investigation on 1/22/81 at Bellevue, Washington File # SE 196B-392

by SA [redacted]

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## FEDERAL BUREAU OF INVESTIGATION

1Date of transcription 11/23/82

[redacted] Applied Materials, Inc., Cobilt Division, 2727 Augustine Drive, Santa Clara, California, was interviewed at his place of business. He was advised of the official identity of the interviewing Agent. He was also informed that he was being contacted in connection with an investigation involving allegations that bribes and kickbacks were being paid to buyers of major manufacturing firms by vendors seeking manufacturing subcontracts. [redacted] was further advised that he was specifically being contacted to determine employment and background data for former Applied Materials, Inc. buyer [redacted]. He was also advised that he was being contacted to determine the identities of Cobilt Division buyers who handled the account of Cobilt Division vendor Scientific Custom Metal Products. [redacted] then supplied the following information.

[redacted] stated that Applied Materials, Inc. acquired Cobilt several years ago. [redacted] stated that he should be able to secure the information about Cobilt vendor Scientific Custom Metal Products. He also stated that he should be able to supply general employment information concerning former Applied Materials buyer [redacted].

[redacted] was further advised that the FBI's inquiries concerning [redacted] and Scientific Custom Metal Products, Inc. should not be interpreted as a fact that Scientific Custom Metal Products was engaged in paying kickbacks and that [redacted] was receiving kickback payments. [redacted] was advised that these names came up in connection with an ongoing investigation involving a large number of manufacturing firms in his area.

[redacted] stated that he would attempt to locate the requested information and get back to the interviewing Agent.

Interviewed on 11/9/82 at Santa Clara, Calif. File # SF 196B-808

by SA [redacted] cad Date dictated 11/9/82

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## FEDERAL BUREAU OF INVESTIGATION

Date of transcription 11/23/82

[ ] Director of Operations & Services, Applied Materials, 3050 Bowers Avenue, Santa Clara, California, telephone (408) 727-5555, was interviewed at his place of business. He was advised of the official identity of the interviewing Agent. He was advised that he was being contacted in connection with an investigation involving allegations that bribes were being paid to buyers of major manufacturing firms by vendors seeking manufacturing subcontracts. [ ] stated that in compliance with the Federal Bureau of Investigation's prior request he had secured data concerning former Applied Materials buyer [ ] and former Cobilt buyer [ ]. He also stated that he had secured data concerning the volume of business the firm Scientific Custom Metal Products, Inc. had with Cobilt. [ ] then supplied the following information:

[ ] noted that about three years ago, Applied Materials acquired the firm Cobilt. At that time [ ] was a buyer for Cobilt. Cobilt records show that [ ] handled subcontracts with Scientific Custom Metal Products, Inc. in 1979 and 1980 until he left Cobilt. [ ] supplied the following data concerning Scientific Custom Metal Products, Inc. subcontracts with Cobilt:

1979	\$13,000
1980	\$45,000
1981	\$19,000

[ ] stated that the drop in subcontract volume in 1981 was probably a combination of SHEETS' departure from Cobilt and a change in Cobilt's product line.

[ ] stated that he knows that [ ] was fired from Cobilt because there was information that [ ] had defrauded Cobilt. [ ] stated that he did not know the exact details on [ ] termination. He stated that [ ] who is currently employed by Lam Research, was [ ] former supervisor at Cobilt. [ ] was Cobilt's Purchasing Director at the time. [ ] stated that [ ] should have all the details concerning [ ] termination.

Interviewed on 11/17/82 at Santa Clara, Calif. File # SF 196B-308

by SA [ ] cad Date dictated 11/17/82

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HJM/cad

[ ] stated that Applied Materials records show that [ ] was employed as a senior buyer in the period October 29, 1979 through December 3, 1980. [ ] was on a leave of absence status from October 9, 1980 to December 3, 1980. [ ] advised that [ ] is currently employed as a buyer of castings at Kaiser Aerospace in the Oakland, California area. [ ] stated that while at Applied Materials [ ] let a substantial amount of sheet metal subcontracts to the firms Prime Metals and Excelfab. [ ] noted that Applied Materials continues to do a substantial amount of business with Prime Metals. Applied Materials currently does little business with Excelfab. [ ] stated that it is not unusual that a buyer should let the majority of contracts with a few vendors because he feels that these vendors can best supply the needs of his employer.

[ ] stated that there was never any substantial information that [ ] had received kickbacks and bribes in exchange for manufacturing subcontracts. After [ ] left Applied Materials there were some vague rumors to this effect. These rumors were never investigated.

## FEDERAL BUREAU OF INVESTIGATION

1Date of transcription 9/9/82

[redacted] Fairchild Camera & Instrument Company, 464 Ellis Street, Mountain View, California, telephone 962-2981, was interviewed at his place of business. He was advised of the official identity of the interviewing Agent. He was advised that the Federal Bureau of Investigation (FBI) has been conducting an investigation concerning allegations that bribes were being paid to buyers of major corporations by vendors seeking manufacturing contracts. [redacted] was further advised that his firm was being contacted to identify the vendors and buyers that handled sheet metal subcontracts for Fairchild. He was specifically requested to locate subcontract information concerning Scientific Custom Metal Products, Inc.

[redacted] was further advised that the FBI's inquiries concerning Scientific Custom Metal Products, Inc. should not be interpreted as a fact that Scientific Custom Metal Products, Inc. was engaged in paying kickbacks. He was advised that his firm was contacted because it was known that Scientific Custom Metal Products had a substantial number of sheet metal subcontracts with Scientific Custom Metal Products, Inc. [redacted] was requested to supply information concerning the dollar amounts of all subcontract work let to Scientific Custom Metal Products, Inc. from 1980 to the present and the identities of the buyers who handled these subcontracts.

Interviewed on 9/3/82 at Mountain View, Calif. File # SF 196B-808  
by SA [redacted] cad Date dictated 9/3/82

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## FEDERAL BUREAU OF INVESTIGATION

1Date of transcription 10/26/82

[redacted], Fairchild Camera and Instrument Corporation, 464 Ellis Street, Mountain View, California, was contacted at his place of business. [redacted] stated that he had conducted some research into Fairchild's business records to identify sub-contracts let to S & S Precision, Scientific Custom Metal Products, Incorporated, and Two Suns Manufacturing. [redacted] stated that he researched this matter in compliance with a request made of him for this information by the Federal Bureau of Investigation on September 3, 1982. [redacted] then supplied the following information:

[redacted] stated that Fairchild Camera let sub-contracts in the amount of [redacted] to Two Suns Manufacturing in the period January 1, 1981 to the present. Fairchild Camera let sub-contracts to S & S Precision in 1979 in the amount of [redacted], in 1980 in the amount of [redacted], and in the period January 1, 1981 to the present in the amount of [redacted]. Fairchild Camera let sub-contracts to Scientific Custom Metal Products, Incorporated in 1979 in the amount of [redacted], in 1980 in the amount of [redacted], and in the period January 1, 1981 through the present in the amount of [redacted]. [redacted] advised that these sub-contracts were let by the Fairchild Camera and Instrument Corporation, General Purpose Large Scale Integration Division located on Technology Drive across from San Jose Airport.

[redacted] advised that the two buyers that handled the above contracts have been identified as [redacted] believed to be [redacted]

Interviewed on 9/27/82 at Mountain View, Calif. File # SF 196B-808

by SA [redacted] cad Date dictated 9/27/82

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## FEDERAL BUREAU OF INVESTIGATION

Date of transcription 8/30/82

[redacted] of Finance, and [redacted] of Operations, Measurex Corporation, 1 Results Way, Cupertino, California, 95014, were advised of the identity of the interviewing Agent and were advised of the purpose of the requested meeting.

They were advised that the Federal Bureau of Investigation (FBI) has been conducting an investigation for approximately a year concerning buyers of various corporations who were receiving kickbacks from various vendors to those corporations. They were advised that during the course of the investigation, information had come to the FBI's attention that a buyer at their corporation by the name of [redacted] might possibly be involved in this kickback scheme. They were advised that the FBI's inquiries should not be interpreted as clear fact that [redacted] is engaged in kickbacks. They were advised that there were indications that payments were made by vendors of Measurex to a corporation partially owned by [redacted] wife and that the payments were called consulting fees.

[redacted] were advised that in order for the FBI to continue their investigation, they were requesting the following information:

1. The amount of dollar purchases made from S&S Precision, Incorporated, of Santa Clara; Scientific Custom Metal Products, Incorporated, of San Jose; and Two Suns Manufacturing of Santa Clara; and Excel Fab, Incorporated, of Sunnyvale; for the years 1979 through December of 1980.
2. They were requested to supply any information they had concerning their business dealings with a company that is no longer in business but was formerly named Select Metal Products of Santa Clara.
3. Any policy Measurex has concerning its buyers' relationship with Measurex vendors.
4. Length of time [redacted] has been employed at Measurex Corporation, the commodities he dealt with and the vendors that he did business with. Also, any application that would reflect a history of [redacted] past employment.

Investigation on 8/16/82 at Cupertino, California File # SF 196B-808  
by SA [redacted] Date dictated 8/17/82

SF 196B-808  
JWR/vdj

[ ] advised that any personal information that the  
FBI wanted concerning [ ] would best be obtained by a subpoena.  
He further advised that the sales made to various vendors that  
[ ] dealt with could easily be provided by their corporation.

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## FEDERAL BUREAU OF INVESTIGATION

1Date of transcription 8/30/82

[redacted] of Finance, Measurex Corporation, 1 Results Way, Cupertino, California, 94014, telephonically advised that he and [redacted] interviewed [redacted] on August 16, 1982, and directed questions to him concerning his various business dealings with vendors of Measurex in an effort to determine a conflict of interest. [redacted] advised that [redacted] advised them that his wife did [redacted] company by the name of Alpine Enterprises which was registered with the state. [redacted] advised that specific questions directed to [redacted] by he [redacted] were declined to be answered by [redacted] who advised that before answering further questions he would have to consult with his attorney.

[redacted] advised that [redacted] as of August 16, 1982, has been given a paid leave of absense for two weeks from the corporation.

[redacted] further advised that he was presently gathering together all of the records that were requested by the Federal Bureau of Investigation (FBI) on the previous day.

[redacted] further advised that he and [redacted] requested [redacted] to release them of any responsibility in showing the FBI his personnel records. [redacted] advised that [redacted] told him that he would not release them until he has consulted with his attorney. [redacted] said that [redacted] was supposed to get back to them after Wednesday, August 18, 1982, at which time he would have consulted with his attorney.

Investigation on 8/17/82 at Palo Alto, California File # SF 196B-808  
by SA [redacted] d [redacted] Date dictated 8/17/82

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## FEDERAL BUREAU OF INVESTIGATION

Date of transcription 9/8/82

[redacted] Internal Audit, Measurex Corporation, 1 Results Way, Cupertino, California, was advised of the identity of the interviewing Agent and advised the following. He provided a twelve page summary of the activity of business that Measurex had with Excel Fab Incorporated, Sunnyvale, California. This summary consisted of checks paid by Measurex to Excel Fab for various invoices that they received from Excel Fab. [redacted] advised that the normal procedure for handling this business is that they would get the invoice in the mail from Excel Fab and send a check to Excel Fab for their services.

[redacted] presented a sixteen page summary of the activity of business with S & S Precision Machine, Santa Clara, California. He advised that Measurex's normal procedure once again was to receive invoices from S & S Precision and accumulate these invoices which they received from S & S Precision in the mail and then mail S & S Precision a check for their services.

[redacted] provided a twenty-one page summary of activity of business that Measurex Incorporated had with Scientific Custom Metal Products, San Jose, California. Once again he advised that Measurex Incorporated had with Scientific Custom Metal Products, San Jose, California. Once again he advised that their normal procedure was to receive invoices in the mail from Scientific Custom Metal Products and after a certain amount of accumulation of these invoices they would mail a check to Scientific Custom Metal Products for the total amount.

[redacted] further presented a three page summary of business conducted between Measurex Corporation and Two Suns Manufacturing Incorporated, Santa Clara, California. Again [redacted] advised that their normal procedure was to receive invoices from Two Suns Manufacturing Incorporated which came through the mail and after a certain amount of accumulation of these invoices they would pay the total by check and mail this check to Two Suns Manufacturing Incorporated.

All of these documents have been placed in this file.

Investigation on 9/8/82 at Cupertino, California File # SF 196B-808

by SA [redacted] dma X Date dictated 9/8/82

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FBI/DC

## FEDERAL BUREAU OF INVESTIGATION

Date of transcription 9/8/82

[redacted] Internal Audit, Measurex Corporation, 1 Results Way, Cupertino, California, 95014, was advised of the identity of the interviewing Agent and presented the following documents:

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1. A Measurex Personnel Transaction form PED-001, with effective date of May 3, 1982, showing [redacted] most recent salary action.

2. Employment offer and acceptance, dated May 19, 1978 for [redacted]

3. Measurex employment application signed by [redacted] under the date of May 4, 1978.

4. Confirmation of Compliance with Measurex code of corporate conduct signed by [redacted] under date of February 2, 1982.

5. Six page handwritten list of all vendors utilized by [redacted] during the period 1978 to 1981.

6. A summary of the dollar activity with the five principal vendors that had previously been requested, namely Excel Fab Incorporated, S & S Precision Machine, Scientific Custom Metals, and Two Suns Manufacturing Incorporated.

7. A twelve page summary of the activity of business with Excel Fab Incorporated.

8. A sixteen page summary of the activity of business with S & S Precision Machine.

9. A twenty-one page summary of the activity of business with Scientific Custom Metal Products.

These documents have been placed in the file for further review.

Investigation on 9/8/82 at Cupertino, California File # SF 196B-808

by SA [redacted] dma [signature] Date dictated 9/8/82

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## FEDERAL BUREAU OF INVESTIGATION

Date of transcription 9/28/82

[redacted] Internal Audit, Measurex Corporation, 1 Results Way, Cupertino, California, 95014, was advised of the identity of the interviewing Agent and presented the eight pages reflecting an organizational chart for Measurex Corporation for June, 1982 going back to the period of 1978.

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These documents have been placed in this file for further examination.

Investigation on 9/28/82 at Cupertino, California File # SF 196B-808  
by SA [redacted] ma. [signature] Date dictated 9/28/82

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FBI/DO

## FEDERAL BUREAU OF INVESTIGATION

Date of transcription 9/23/82

[redacted] Finance, Memorex Corporation, San Tomas at Central Expressway, Santa Clara, California, telephone (408) 987-1722, was interviewed at his place of business. He was advised of the official identity of the interviewing Agent. He was advised that the Federal Bureau of Investigation (FBI) was conducting an investigation concerning allegations that bribes and kickbacks were being paid to buyers of major corporations by vendors seeking manufacturing contracts. [redacted] was advised that he was being contacted to determine the identities of vendors and buyers that handled sheet metal subcontracts for Memorex. He was specifically requested to supply the following information:

1. Times of employment, employment record, position at Memorex, type of commodity handled, and the vendors handled by former Memorex buyer [redacted]

2. Times of employment, employment record, position at Memorex, type of commodity handled and the vendors handled by former Memorex buyer [redacted] was advised that there was a rumor that [redacted] was fired by Memorex. In the event that this rumor is true, details concerning this personnel matter were requested.

3. Details concerning a \$13,000 Memorex contract let through the firm Electronic Sales Products by [redacted] in October, 1980.

4. Dollar amounts of subcontracts with Scientific Custom Metal Products, Inc., S & S Precision, Two Suns Manufacturing, and Excelfab, Inc. in the period 1980, 1981, and early 1982, and the identities of the buyers who handled these subcontracts.

[redacted] was further advised that the FBI's inquiries concerning the above individuals and firms should not be interpreted as a fact that these firms and individuals were engaged in paying kickbacks. It was noted that Memorex was being contacted merely to follow up on some unresolved matters

Interviewed on 9/17/82 at Santa Clara, Calif. File # SF 196B-808

by SA [redacted] /cad Date dictated 9/17/82

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that came up in the course of this investigation.

[ ] advised that Memorex has a specific policy prohibiting buyers from accepting gifts from vendors. He stated that he would contact his legal and audit department to review Memorex records to locate the requested information.

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## FEDERAL BUREAU OF INVESTIGATION

Date of transcription 10/20/82

1

[redacted] Legal Counsel, Memorex Corporation, St. Thomas at Central Expressway, Santa Clara, California was interviewed at his place of business. He was advised that he was being recontacted in connection with an investigation involving allegations that certain buyers for major manufacturing firms were being paid kickbacks by manufacturing subcontractors in order to obtain manufacturing subcontracts. [redacted] recalled that he had previously supplied information concerning vendor Scientific Custom Metal Products Incorporated (SCMPI) and Memorex buyers [redacted] stated that he has conducted additional investigation in this matter. He then supplied the following information:

[redacted] advised that he was able to determine that a former Memorex Business System Division (Los Angeles, California) buyer by the name of [redacted] handled accounts for Memorex vendor Scientific Custom Metal Products Inc.

[redacted] advised that a review of the personnel file of [redacted] disclosed that there were no ethical considerations involving his resignation from Memorex. [redacted] learned from [redacted] former Memorex supervisor that [redacted] had experienced some emotional problems resulting in a nervous breakdown. When [redacted] finally returned to work, his enthusiasm for the job had greatly diminished. [redacted] decision to leave Memorex was entirely his own choice. [redacted] noted that there was no derogatory information in [redacted] file and that he would be subject to rehire at Memorex in the event that he make future application. [redacted] stated that [redacted] ultimately took a job with a Colorado firm known as Storage Technology.

[redacted] advised that a review of the personnel file of Edward Gray and an interview of his former supervisor did disclose some ethical considerations involving his resignation. In early 1979, a Memorex vendor known as Creative Metals complained to Memorex management that [redacted] was living in property owned by another Memorex vendor known as Wiseman Sheet Metal.

Investigation on 10/6/82 at Santa Clara, California File # SF 196B-808

by SA [redacted] /jaa Date dictated 10/6/82

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[ ] claimed that he was paying market rates for rental of this property and that this personal relationship had no impact on the way he treated the award of Memorex subcontracts to Wiseman Sheet Metal. [ ] stated that Memorex maintained that [ ] had violated a specific Memorex regulation prohibiting involvement of Memorex employees in matters considered to be a conflict of interest. [ ] stated that [ ] was asked to resign. There was a notation in his personnel file that he would not be subject to rehire in the event that he make application in the future.

## FEDERAL BUREAU OF INVESTIGATION

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b7cDate of transcription 9/27/821

[redacted] Legal Counsel, Memorex Corporation, St. Thomas at Central Expressway, Santa Clara, California, telephone (408)987-2334, telephonically contacted the San Mateo Resident Agency of the Federal Bureau of Investigation. [redacted] stated that he was calling in response to a FBI request for information concerning former Memorex employees, [redacted] and [redacted] then supplied the following information:

[redacted] was employed as a Senior Buyer for Memorex in the period from November 22, 1977 to June 1, 1979. There is a notation on Memorex Computer records that [redacted] is not subject to rehire at Memorex.

[redacted] was employed as a Senior Buyer for Memorex. He left Memorex on May 22, 1981.

[redacted] stated that he has searched Memorex sales records concerning business let to the following firms: Scientific Custom Metal Products Inc, Two Suns Manufacturing, S & S Precision and Excelfab Inc. [redacted] learned that Memorex did no business with the firms Two Suns Manufacturing and Excelfab. Memorex did only \$400 worth of business with S & S Precision in 1980. The Memorex Business System Division let \$5,500 in business contracts to Scientific Custom Metal Products Inc. in 1981. [redacted] stated that since that time Memorex has sold the Business System Division to a Los Angeles, California firm. The Memorex buyer who let the contracts to Scientific Custom Metal Products was identified only by the first name [redacted]

Investigation on 9/22/82 at Palo Alto, California File # SF 196B-808

by SA [redacted] /JAA Date dictated 9/23/82

## FEDERAL BUREAU OF INVESTIGATION

Date of transcription 9/13/82

1

[redacted] Comptroller, NCR Corporation, E and M Orlando Division, 584 South Lake Emma Road, Lake Mary, Florida, 32746, telephone (305)323-9250 was telephonically interviewed at his place of business. [redacted] acknowledged that [redacted] the NCR Treasurer for the Micrographic Systems Division, Mountain View, California had informed him of the nature of the Federal Bureau of Investigation's investigation. [redacted] was informed that the FBI was specifically interested in determining [redacted] dates of employment, position and type of commodity that he handled as a buyer for NCR. [redacted] was also advised that the FBI wished to identify the vendors and the amount of business that [redacted] handled for NCR.

[redacted] responded that it would probably be easy for him to locate the personnel data. He advised that there may be some problems in locating the vendor information. [redacted] requested that the FBI make a formal request for the above information in writing through a letter addressed to him.

Investigation on 9/8/82 at Palo Alto, California File # SF 196B-808

by SA [redacted] TAA Date dictated 9/8/82

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## FEDERAL BUREAU OF INVESTIGATION

Date of transcription 9/13/82

1

[redacted] Personnel Director, National Cash Register (NCR) Corporation, Micrographic Systems Division, 520 Logue Avenue, Mountain View, California, telephone 965-3700 was interviewed at his place of business. [redacted] was interviewed in the presence of [redacted] the NCR Treasurer for that division. [redacted] were advised of the official identity of the interviewing Agent. They were advised that in the course of an FBI investigation, information was developed concerning a former NCR employee known as [redacted]. They were advised that they were specifically being contacted to determine [redacted] dates of employment at NCR, his position and type of commodity that he handled for NCR. They were also advised that allegedly [redacted] handled a number of NCR's vendors as in the capacity of a NCR buyer. A specific request was made to identify the vendors that [redacted] handled as well as the amount of the business these vendors transacted with NCR. They were advised that [redacted] had formerly been employed by Data Pathing prior to take over by NCR. [redacted] then supplied the following information:

[redacted] advised that a search of the records of the NCR Micrographic Systems Division failed to locate any employment record for [redacted]. He explained that each NCR division maintains its own records. The administrative headquarters for the NCR division that purchased Data Pathing in late 1975 is located in Orlando, California. [redacted] suggested contacting [redacted] the controller for that NCR Division to obtain the requested employment and NCR vendor information.

Investigation on 9/7/82 at Mountain View, California File # SF 196B-808

by SA [redacted] /JAA Date dictated 9/8/82

## FEDERAL BUREAU OF INVESTIGATION

Date of transcription 8/16/82

[redacted] Plant Manager, Tab Products Company, Forms Handling Equipment Division, 2390 Zanker, San Jose, California, was interviewed at his place of business. He was advised of the official identity of the interviewing Agent. He was advised that he was being recontacted to specifically determine the amount of subcontracts Tab Products let to Scientific Custom Metal Products Incorporated (SCMPI). He was advised that this request was being made in connection with an investigation concerning allegations that kickbacks and bribes had to be paid in order to obtain certain manufacturing contracts. [redacted] stated that he was able to locate the Tab Products records for payments made to SCMPI for the years 1979 and 1980. He then supplied the following information:

[redacted] stated that during 1979 Tab Products paid SCMPI a total of [redacted] for sheet metal fabrication work. During this period [redacted] also known as [redacted] was the only Tab Products buyer that negotiated contracts with SCMPI. Tab Products terminated [redacted] employment in late 1979. During 1980 [redacted] handled negotiations with SCMPI for Tab Products. During 1980 Tab Products paid SCMPI a total of [redacted]

[redacted] provided for review the Tab Products folder for payments made to SCMPI during 1979 and 1980. These folders contained SCMPI invoices, Tab Products receiving reports and copies of Tab Products checks paid to SCMPI captioned "Remittance Advice". A review of these folders disclosed the following monthly payments made to SCMPI.

MONTH

January 1979  
February 1979  
March 1979  
April 1979  
May 1979  
June 1979  
July 1979  
August 1979  
September 1979  
October 1979  
November 1979

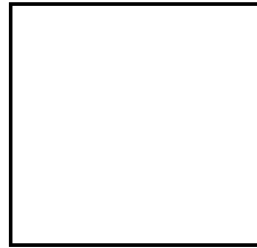


Investigation on 8/16/82 at San Jose, California File # SF 196B-808

by SA [redacted] /dma Date dictated 8/16/82

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December 1979  
February 1980  
April 1980  
June 1980  
August 1980  
October 1980  
December 1980



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## FEDERAL BUREAU OF INVESTIGATION

1Date of transcription 9/23/82

[redacted] Accounting Manager, Zilog, 1315 Dell Avenue, Campbell, California, telephone (408) 370-8000, was interviewed at his place of business. He was advised of the official identity of the interviewing Agent. He was advised that the Federal Bureau of Investigation (FBI) was conducting an investigation concerning allegations that bribes and kickbacks were being paid to buyers of major corporations by vendors seeking manufacturing contracts. [redacted] was advised that he was being contacted to determine the identities of sheet metal subcontractors that had contracts with his firm. He was further requested to furnish a listing of subcontractors handled by Zilog buyers [redacted] [redacted] then furnished the following information:

[redacted] stated that [redacted] are current Zilog employees. They have been employed at Zilog for at least [redacted] years. [redacted] stated that the name [redacted] is not known to him. [redacted] stated that he would discuss this request with his supervisor, the Vice President in Charge of Finance, and the Zilog Legal Department.

[redacted] was further advised that the FBI's inquiries concerning the above individuals should not be interpreted as a fact that they were engaged in paying kickbacks. He was advised that his firm was contacted only as a follow-up to other unresolved matters that came up in the course of this investigation.

Interviewed on 9/17/82 at Campbell, Calif. File # SF 196B-808  
by SA [redacted] /cad Date dictated 9/17/82



## FEDERAL BUREAU OF INVESTIGATION

Date of transcription 11/10/82

1

[redacted] Zilog, 1315 Dell Avenue, Campbell, California was reinterviewed at his place of business. He was advised that he was being recontacted in connection with an investigation concerning allegations that bribes and kickbacks were being paid to buyers of major corporations by vendors seeking manufacturing contracts. [redacted] then supplied the following information:

[redacted] stated that he has had an opportunity to check his firm's records concerning business relations Zilog employees, [redacted] maintained with Zilog's sheet metal vendors. [redacted] determined that his firm utilized only two sheet metal firms known as Pro Tool, located in Campbell, California and Assemco, located in Sunnyvale, California. [redacted] noted that his firm also utilizes a plastic manufacturer known as I.M.C. Company to make a plastic box similar in design to the sheet metal work performed by Pro Tool and Assemco. [redacted] stated that over seventy-five per cent of the Zilog sheet metal subcontracts have been placed with Assemco and Pro Tool.

[redacted] stated [redacted] has been employed as a supervisor of Zilog's buyers for the past four years. Because of his position, [redacted] has had little direct contact with Zilog's vendors. Buyer [redacted] has been employed by Zilog for the past four years. Buyer [redacted] has been employed by Zilog for the past two or three years.

Investigation on 10/14/82 at Campbell, California File # (SF 196B-808) 196C-1205 (Assemco)  
by SA [redacted] /jaa Date dictated 10/14/82

FEDERAL BUREAU OF INVESTIGATION  
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