News Release

U.S. Department of Justice

United States Attorney
Northern District of Ohio

For Release:
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William J. Edwards, Acting United States Attorney for the Northern District of Ohio, announced today that Kent S. Andrews, age 41, of Middleburg Heights, Ohio, was sentenced by U.S. District Judge Donald C. Nugent to 33 months in prison following his recent conviction for executing a scheme and artifice to defraud Cisco Systems, Inc., of computer networking equipment valued at $1,982,926.00. Andrews will serve three years of supervised release following his incarceration. Andrews was also ordered to pay restitution to Cisco Systems, Inc., in the amount of $1,982,926.00, and a $100 special assessment to the Crime Victim's Fund.

On February 11, 2008, a one count Information was filed in U.S. District Court in Cleveland, Ohio, charging Andrews with one count of Mail Fraud. Andrews pleaded guilty to the offense on February 27, 2008.

The Information charged that between December 2003, and May 2006, Andrews executed a scheme and artifice to defraud Cisco Systems, Inc., by fraudulently causing Cisco to ship via Federal Express or other commercial interstate carrier, approximately 241 items of computer networking equipment valued at approximately $1,982,926.00.

According to the Information, Andrews was a certified Cisco engineer and held the designation as a Cisco Certified Internetwork Expert, which is the highest level of Cisco

certification, and is highly respected in the Information Technology (IT) industry. Cisco Systems, Inc., is the leading manufacturer and seller of computer networking equipment and services in the world, and is headquartered in San Jose, California.

According to the Information, Andrews devised and executed a scheme to defraud Cisco by submitting fraudulent service claims under Cisco's Advance Replacement program, under service contracts known as SMARTnet service contracts. Under this program, Cisco customers are able to obtain replacement parts for failed or defective parts without first returning the defective part, but must return the defective parts within 30 days. Between December 2003 and May 2006, Andrews submitted fraudulent service claims for approximately 241 Cisco computer networking parts valued at over $1.9 million, despite the fact that Andrews did not possess the claimed defective parts, and was not otherwise entitled to submit claims for the parts under the SMARTnet program.

The Information charged that after fraudulently obtaining the parts from Cisco, Andrews sold the equipment to unsuspecting buyers, including individuals who placed bids in on-line, E-Bay auctions where Andrews offered many of the fraudulently obtained parts for sale.

This case was prosecuted by Assistant U.S. Attorney Robert W. Kern, Cybercrime Coordinator for the Cleveland U.S. Attorney's Office, following an investigation by the Cleveland Office of the Federal Bureau of Investigation.

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