DEPARTMENT OF THE AIR FORCE
ARLINGTON, VA 22203-1613

Office of the Deputy General Counsel

VIA FEDERAL EXPRESS

DEC 14 2010

SAF/GCR
4040 N. Fairfax Drive
Suite 204
Arlington, VA 22203

Mr. Herbert E. Campbell
[redacted]

Re: Notice of Debarment

Dear Mr. Campbell,

By letter dated November 2, 2010, the Air Force initiated proceedings to debar you from contracting with the United States Government. The letter provided you with an opportunity to submit information and arguments in opposition to the proposed debarment. To date, you have not responded to the proposed debarment notice.

Based upon the information in the administrative record in this matter, I have determined that protection of the Government's interests requires that you be debarred from contracting with the United States Government. The effects of debarment are those stated in the November 2, 2010, Notice of Proposed Debarment.

This debarment is effective immediately and continues for three years from November 2, 2010, the date you were proposed for debarment. Your debarment will terminate on November 1, 2013.

Sincerely,

[redacted]

STEVEN A. SHAW
Deputy General Counsel
(Contractor Responsibility)

DEPARTMENT OF THE AIR FORCE
ARLINGTON, VA 22203-1613

NOV 02 2010

Office Of The Deputy General Counsel

MEMORANDUM IN SUPPORT OF THE PROPOSED DEBARMENTS OF:

KENNETH B. CORLEY
HERBERT E. CAMPBELL
GARY N. BROOKS

Effective this date the Air Force has proposed the debarments of Kenneth B. Corley ("Corley"), Herbert E. Campbell ("Campbell"), and Gary N. Brooks ("Brooks") from Government contracting and from directly or indirectly receiving the benefits of federal assistance programs. This action is initiated pursuant to Federal Acquisition Regulation ("FAR") Subpart 9.4

INFORMATION IN THE RECORD

Information in the record establishes by a preponderance of evidence that at all times relevant hereto:

1. Triumph Aerostructures-Vought Aircraft Division ("Vought") is owned by Triumph Group, Inc. ("Triumph"), an aircraft company headquartered in Wayne, Pennsylvania. Vought manufactures aerostructures for commercial, military and business jet aircraft, and is headquartered in Dallas, Texas.

2. Corley, Campbell, and Brooks all worked at the Vought facility in Nashville, Tennessee ("Nashville Facility"). Prior to his resignation, Corley was a Vought Company Inspector. Prior to his termination, Campbell supervised Corley at Vought. Prior to his retirement on December 12, 2009, Brooks was employed by Vought as a Manufacturing Supervisor.

3. Over the course of approximately one year, Corley and Campbell falsely represented, with the knowledge of Brooks, that a contractually-required "proof-load test" had been conducted on C-130 vertical stabilizer bearings. As a result of this conduct, non-conforming parts were introduced into the supply chain relating to the C-130 aircraft.

The "Proof-Load Test"

4. At the time of the incident in question, Vought was working under four firm, fixed price contracts with Lockheed Martin ("Lockheed") to produce components that comprise the C-130 aircraft empennage.

5. The aforementioned contracts required that "proof-load tests" be conducted on bearings that are installed in hinge fittings on the C-130 vertical stabilizer. These tests determine whether bearings have been properly "staked" in place within the hinge fitting.

6. In 2009, prior to performing the subject contracts, the proof-load test machine was removed from the Nashville Facility where Vought produced the C-130 components.

Corley, Campbell and Brooks Misconduct

7. On approximately May 1, 2009, after the removal of the proof-load test machine, Corley attempted to inspect the bearing installations on a series of hinge fittings for which a proof-load test was required. Unable to perform the proof-load tests without the proof-load machine, Corley refused to approve the parts. However, Campbell approved the parts despite the fact that the proof-load test had not been performed. Campbell subsequently approved another batch of parts on May 20, 2009, notwithstanding that the required proof-load test was not performed.

8. After May 20, 2009, Corley began approving hinge fittings himself without performing the requisite proof-load tests.

9. Corley continued to falsely indicate that Vought-produced bearings had been proof-load tested until July 26, 2010, when a proof-load test machine apparently was returned to service.

10. Triumph's management asserts that, as a Vought Manufacturing Supervisor, Brooks was aware that Corley and Campbell falsely approved parts that had not been subjected to a proof-load test as required by contract. Triumph's management further asserts that Brooks encouraged this fraudulent conduct.

Triumph's Internal Investigation and Disclosure

11. On July 27, 2010, when the Nashville Facility's quality manager became aware that the proof-load test machine had been recalibrated and returned to service, he determined that it would be necessary to ensure that all proof-load requirements had been satisfied during the machine's absence. He ultimately determined that the required inspection process had not been followed on the affected parts.

12. Vought provided initial and final "Notifications of Escape" to Lockheed on July 29, 2010, and August 5, 2010, respectively, informing Lockheed of the inspection deficiencies that occurred between approximately May 1, 2009 and July 26, 2010, and the fact that Vought delivered non-conforming material to Lockheed.

13. Vought terminated Campbell upon conclusion of the internal investigation. Prior to his return from an excused leave of absence, Corley resigned his employment. Brooks had previously retired on December 12, 2009. All three individuals are ineligible for re-employment with Vought.

14. Vought made a Contractor Disclosure to the Office of the Inspector General for the Department of Defense on August 20, 2010, concerning these events.

BASIS FOR THE PROPOSED DEBARMENT

The improper conduct of Corley, Campbell and Brooks is of so serious or compelling a nature that it affects their present responsibility to be government contractors or subcontractors and provides a basis for their debarment pursuant to FAR 9.406-2(c).

STEVEN A. SHAW
Deputy General Counsel
(Contractor Responsibility)