

**TESTIMONY OF ALBERT D. CAMPBELL  
BEFORE THE HOUSE COMMITTEE ON THE JUDICIARY**

**Subcommittee on Courts, the Internet and  
Intellectual Property and Commercial and  
Administrative Law**

**Hearing on H.R. 4854, "The False Claims Act  
Corrections Act of 2007"**

This is my personal statement regarding my experiences as a whistleblower using the False Claims Act.

I originally decided in the summer of 1993 that the actions of the defense contractor I was working for appeared to violate the laws that governed financial reporting on defense acquisitions. I was the Chief of Cost Control for the LANTIRN program at the Lockheed Martin Corporation. This program designed and built the original navigation and targeting pods for high performance fighter aircraft like the F-15E and the F-16.

My primary responsibilities included monitoring and reporting on cost expenditures on a multibillion dollar program that ultimately had domestic and foreign customers. As a result of my position, I was able to observe a pattern

of cost charging that was disproportionate to the amount of work that was being completed on the program.

Initially, I took my analyses of the cost and performance data to my immediate supervisor and ultimately to the program director who was responsible for the entire program. Their first response was to rebuff my analysis as lacking a substantial understanding of what was actually going on with regards to program performance.

During this time, I was the lead cost controller on the largest single profit objective in our division. I had more than 15 years of financial analysis experience on DoD programs, a staff of 30+ analysts and clerks and I was consistently rated outstanding with regards to my job performance. The prospect that I could be so inept at my job was very difficult for me to accept. I assigned some of my senior analysts to perform some very specific analytical exercises designed to either confirm or refute my suspicions.

After completing these exercises and confirming my original beliefs, I went to my manager accompanied by one of my senior analysts. I presented the data to him and was immediately rebuffed. He even stated to my analyst that it

would be suicidal to carry any such information forward to upper management. Over the next several months, I developed a reputation of not being a team player because I became more and more vocal about my feelings regarding the cost charging schemes being used on the program. Even more troubling to me was the fact that the improper charging schemes were being used to price new contracts with the DoD which was causing inflated estimates to be given to support future business thus resulting in defectively priced contracts. These contracts were Foreign Military Sales contracts.

After several months I found myself in a somewhat precarious position. I didn't want to lose my job. But it was becoming increasingly difficult to continue as things were. Because of my position on the program, I also felt that I ran a risk of being included with the people who were intentionally defrauding the government.

Eventually, I reluctantly decided to try and find a resolution outside of the company. The first action I took was to call the DoD hotline established by the government for defense industry employees to call and report perceived instances of fraud waste and abuse. I was connected to an

intake specialist whose job seemed to be to determine if there was any validity to my complaint. After about a half hour conversation of questions and answers, he concluded that based on the contractor involved, and the fact that these were firm fixed priced contracts, he seriously doubted that the government would be interested in pursuing any investigation into my allegations.

At this point in time, I was unaware of the existence of the False Claims Act. I tried with very little success to find a lawyer who could help me, but for months I couldn't even find a lawyer who understood what I was talking about.

Finally, in March of 2005, I serendipitously found a lawyer who was familiar with dealing with fraud against the government. I discussed my situation with him, and he explained the consequences of the actions that I was contemplating, and he explained to me how the False Claims Act could help facilitate those actions. We set up the required meeting with the local US Attorney and representatives from the FBI and the DCIS. We submitted the required disclosure memorandum and I agreed to wear a recording device and to surreptitiously record phone conversations with selected employees of the company.

Because of the unique provisions of the False Claims Act, I was able to procure competent legal council with no significant financial expense to myself. Realizing the enormous cost of trying to litigate against a very large multi-national corporation, it would have been cost-prohibitive for me to have engaged in the litigation that I did against Lockheed-Martin without the Act.

The comprehensive nature of the Act is such that I was even afforded legal protection from a subsequent employer who retaliated against me because they wanted to do business with Lockheed-Martin but were told that they had to get rid of me first. And it highlights the importance of keeping the Act current and relevant in light of the changing environment that vendors operate in when doing business with the government. Not to be overlooked, this subsequent employer ended up being a sub-contractor to Lockheed-Martin. But their actions were every bit as illegal as if Lockheed-Martin had committed them, themselves.

Being a whistleblower is a very isolating endeavor. But whistleblowers are the most effective tool that the government has to combat fraud. I once had a manager tell

me that he would never be concerned about a government auditor because he could talk rings around them.

"They only know what you tell them" was his mantra. And it is very true. It is the courageous and perilous actions of the whistleblower, under the blanket of protection of the False Claims Act, that has returned billions of dollars to the coffers of the U.S. Treasury.

I was fortunate in that my litigation ended favorably for me. But it was not without significant challenges from the contractor. They seek to find loopholes in the Act, and to exploit any perceived rules which favor their position. In my case the contractor actually tried to make a legal argument that even though their contract was with the U.S. Government, because the end user was a foreign country, they should not be prosecuted for making false claims. As I have stated before, they are always looking for ways to circumvent the act. That is why it is critically important to keep the Act current.

I wholeheartedly endorse the Act and would ask that this Congress do everything in its power to keep the Act strong and effective.