



# Department of Justice

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## **ACUITY SPECIALTY PRODUCTS GROUP PLEADS GUILTY TO FELONY VIOLATION OF CLEAN WATER ACT**

### ***Company Fined \$3,800,000***

Atlanta, GA - ACUITY SPECIALTY PRODUCTS GROUP, INC. ("ACUITY"), a company that has a manufacturing plant in Atlanta, Georgia, pled guilty today to knowingly violating of the Clean Water Act. Pursuant to a plea agreement between the United States Attorney's Office and Acuity, United States District Judge Marvin H. Shoob fined Acuity \$3,800,000 and ordered it to serve three years on probation. DANIEL SCHAFFER, Acuity's former Director of Environmental Compliance, pled guilty to violating the Clean Water Act in February 2006 and is awaiting sentencing. As a condition of its probation, ACUITY will have to abide by the terms of a compliance agreement approved by the Environmental Protection Agency.

"ACUITY demonstrated a flagrant disregard for the environmental laws of the United States," said Acting United States Attorney Sally Quillian Yates. "Today's sentence, the most harsh ever imposed on a company in the Northern District of Georgia for a violation of environmental laws, should send a signal to the business community that it must comply with laws that protect our environment."

"The guilty plea today shows that corporations will be held accountable by criminal prosecution when they allow managers and employees to violate the programs under the Clean Water Act that are in place to ensure that they do not mislead environmental agencies," said Acting Assistant Attorney General Ronald Tenpas of the Environmental and Natural Resources Division.

"This company systematically broke the law and hid illegal behavior from the City of Atlanta," said Grant Nakayama, EPA's Assistant Administrator for Enforcement Compliance Assurance. "Today's plea agreement and sentence should be seen as a warning to all companies: if you falsify sampling results, you will be prosecuted."

According to Acting United States Attorney Yates and the information presented in court: ACUITY manufactures numerous detergent and cleaning products at its facility

located on Seaboard Industrial Boulevard in Atlanta. The facility operates as a chemical blending facility that manufactures numerous detergent and cleaning products which are used for industrial and domestic purposes. Within the facility are different plants, each of which produces a different type of detergent or cleaning product, including liquids, aerosols, powders and acids.

Many of these products are marketed under the brand name "Zep."

ACUITY also has a wastewater treatment plant on the property, which treats the discharged waste product from its various chemical-blending plants. The wastewater is treated on site before being discharged to a City of Atlanta facility, where it is treated once more before being discharged into the Chattahoochee River. ACUITY also has reporting obligations to the City of Atlanta treatment facility. ACUITY's reporting responsibilities required it to measure its wastewater flow and the amount of phosphorous in the wastewater. It was also required to measure the pH level of its wastewater to determine how acidic or caustic the wastewater was. The City facility relies on honest and accurate reporting from industrial businesses to ensure that the wastewater is being properly treated before being discharged into the Chattahoochee River. The City of Atlanta uses the information on reports to assess surcharges on companies that discharge to the City facility.

Beginning as early as September 1998 and continuing until November 2002, ACUITY submitted false information on its wastewater flow, phosphorous output, and pH levels to the City of Atlanta. As part of its effort to conceal the true contents of its waste product, ACUITY failed to take representative samples of its wastewater but would instead take "grab" samples or samples of diluted wastewater. ACUITY further failed to report significant discharges to the City of Atlanta, including a 10,000-gallon phosphorous discharge in April 2000 and an acid spill in March 2002. During this period, when City of Atlanta Watershed Department personnel were on site performing semiannual evaluations, ACUITY employees would withhold discharging wastewater to skew the results of the samples that the City employees were taking. In November 2002, DANIEL SCHAFFER, ACUITY's Director of Environmental Compliance at that time, was caught by City personnel diluting the wastewater by inserting a garden hose into an opening near where the City was collecting samples.

This case was investigated by Special Agents of the Environmental Protection Agency.

This case was prosecuted by Assistant United States Attorney Paul Jones, Department of Justice Senior Trial Attorney Daniel Dooher, and Special Assistant United States Attorney Margaret Kroening.

For further information please contact Charysse L. Alexander, Executive Assistant United States Attorney, through Patrick Crosby, Public Affairs Officer, U.S. Attorney's Office, at (404) 581-6016. The Internet address for the HomePage for the U.S. Attorney's Office for the Northern District of Georgia is [www.usdoj.gov/usao/gan](http://www.usdoj.gov/usao/gan).